

**WESTERN PLACER UNIFIED SCHOOL DISTRICT
BOARD OF TRUSTEES
2026-27 Second Interim Notes**

The Second Interim budget report is a snapshot in time of the local educational agency's (LEA) revenue and expenditure forecasts for the current fiscal year as well as a projection of the two subsequent fiscal years. It is a time to adjust the budget based upon the enacted State Budget and subsequent trailer bills, the closing of the prior fiscal year, and other factors that impact revenue and expenditures. The Second Interim report covers the period of time from July 1 through January 31st each fiscal year and is submitted to the county office of education by March 15th.

BUDGET ASSUMPTIONS

Planning Factors for Second and MYP

The 2025-26 budget assumptions are used to prepare the 2025-26 Budget and multi-year projections for 2026-27 and 2027-28 fiscal years. The multi-year projections provide a view of the current year (2025-26) budget and the next two years' budget plan (2026-27 and 2027-28). They are built with assumptions provided by PCOE Common Message, School Services of California, the State Dept. of Finance (DOF), Legislative Analyst Office (LAO), FCMAT LCFF Calculator, federal funding projections and district trends and data. Property taxes, state allocations, LCFF Funding estimates, new legislature, federal funding and budget projections can all have a significant impact on revenue assumptions.

Additionally, PCOE recommends the district incorporate projection information from FCMAT and School Services of California (SSC) Dartboard for specific budget circumstances for our individual district. Every district receives different amounts of revenue through the LCFF funding model and has its own particular set of financial risk factors. It is important that all districts continue to assess their individual situation and plan accordingly to maintain fiscal solvency.

Key planning factors for the District to incorporate into the 2025-26 budget and multiyear projections are listed on the next page and based on the latest information available.

**WESTERN PLACER UNIFIED SCHOOL DISTRICT
BOARD OF TRUSTEES
2025-26 Second Interim Notes**

GENERAL FUND BUDGET ASSUMPTIONS SECOND INTERIM AND MYP

	24/25 Unaudited Actuals	25/26 First Interim	25/26 Second interim	26/27 Projection	2027/28 Projection	
REVENUES						
Enrollment	8,051	8,293	8,230	8,395	8,562	
ADA Yield	93.6%	94.0%	94.0%	94.0%	94.0%	94.0% projected rate based on 24-25 actual rate of 93.6% and 23-24 actual rate of 94.6%
ADA (Excl. County ADA)	7,532	7,795	7,736	7,891	8,049	
ADA (Incl. County ADA)	7,548	7,811	7,749	7,904	8,062	
% Increase (Decrease) Enrollment	2.31%	3.00%	2.22%	2.00%	2.00%	
# Increase (Decrease) Enrollment	182	242	179	165	168	
# Increase (Decrease) in ADA	86	263	204	96	158	
State Statutory COLA %	1.07%	2.30%	2.30%	2.41%	3.42%	26-27 per LAO projection, 27-28 per SSC Dartboard
EXPENDITURES						
Certificated New Positions - FTE	10.7	10.1	10.1	7.0	7.0	25-26: 3.1 net growth teachers, 4 TK teachers, 1 special ed teacher, 1 nurse, 1 counselor; 26-27 and 27-28: 7 growth teachers
Certificated Step/Column	1.69%	1.72%	1.72%	1.72%	1.72%	
Classified New Positions - FTE	18.7	6.9	7.9	0.0	0.0	25-26: Increase of 10.0 FTE, decrease of 2.1 FTE
Classified Step/Column	2.43%	2.48%	2.48%	2.48%	2.48%	
Classified Statutory Benefits Rate	36.34%	36.08%	36.08%	35.67%	36.17%	
Certificated Statutory Benefits Rate	22.19%	22.17%	22.17%	22.17%	22.17%	
Transfers Out to Other Funds	\$543,983	\$581,861	\$778,569	\$1,133,060	\$1,260,608	Adult Ed (\$25k), Deferred Maint.(\$250k in 25-26; \$500k all others), Cafeteria (\$274k 24-25, \$306k 25-26, \$448k 26-27, \$602k 27-28)
Contribution to RRM	\$3,613,557	\$3,825,753	\$3,825,753	\$3,940,526	\$4,058,741	3% of GF Expenditures (Excl STRS On-Behalf).

PROPOSED BUDGET:

The 2025-26 Second Interim budget, presented on the next page, is built from assumptions from the State-adopted budget, federal and local revenue projections, district historical data, SSC dartboard, FCMAT LCFF Calculator and PCOE Common Message.

**WESTERN PLACER UNIFIED SCHOOL DISTRICT
BOARD OF TRUSTEES
2025-26 Second Interim Notes**

	Second Interim		
	Unrestricted	2025-26 Restricted	Combined
Revenues			
LCFF Funding - Base	91,218,087	2,424,704	93,642,791
LCFF Funding - Supplemental	6,133,184	-	6,133,184
Federal Revenue	-	3,896,266	3,896,266
State Revenue	2,885,289	13,694,343	16,579,632
Local Revenue	2,787,881	7,208,277	9,996,158
Total Revenues	103,024,441	27,223,590	130,248,031
Expenditures			
Certificated Salaries	41,007,597	9,031,856	50,039,453
Classified Salaries	11,069,047	8,328,601	19,397,648
Benefits	19,865,131	11,788,061	31,653,192
Books and Supplies	6,497,623	10,777,278	17,274,901
Other Services & Oper. Exp	10,907,815	8,622,890	19,530,705
Capital Outlay	181,367	614,909	796,276
Other Outgo 7xxx	527,568	3,290,106	3,817,674
Transfer of Indirect 73xx	(2,522,868)	2,281,778	(241,090)
Total Expenditures	87,533,280	54,735,479	142,268,759
Surplus / (Deficit)	15,491,161	(27,511,889)	(12,020,728)
Transfers In	250,000	40,000	290,000
Transfers out	(778,569)	-	(778,569)
Contributions to Restricted	(19,515,152)	19,515,152	-
Net Increase (Decrease) in Fund Balance	(4,552,560)	(7,956,737)	(12,509,297)
Beginning Balance	10,771,486	15,360,561	26,132,047
Ending Fund Balance	6,218,926	7,403,824	13,622,750
Components of Ending Fund Balance			
Nonspendable:			
Revolving Cash	5,000		5,000
Prepaid Expenditures	214,880		214,880
Restricted:			
State, Federal and Local programs		7,403,824	7,403,824
Unassigned/Unappropriated:			
Economic Uncertainty @ 3%	4,291,420		4,291,420
Unassigned Economic Uncertainty surplus/(deficit)	1,707,626		1,707,626
Total Ending Fund Balance	6,218,926	7,403,824	13,622,750

**WESTERN PLACER UNIFIED SCHOOL DISTRICT
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2025-26 Second Interim Notes**

First Interim Budget vs. Second Interim Budget:

Each year our budget is revised as new information becomes available and assumptions are modified. The significant differences between the district's First Interim and Second Interim Budget are reflected in the table below and discussed with comments on the following pages.

Major Changes to Fund Balance from First Interim to Second Interim 2025-26			
Budgeted Deficit Spending at First Interim		(\$11,950,150)	
Revenues			
Principal Apportionment			
Decrease in LCFF funding - Reduction of 59 ADA	(680,000)		
Increase in LCFF funding - 70 TK ADA over budget	390,000		
Increase in Special Education AB602 property tax revenues	55,000		
Total Principal Apportionment changes		(235,000)	1
Federal Revenue			
Increase in PI94-142 Special Education allocation	50,000		
Actual Title I, Title II, Title III, Title IV allocations received	20,000		
Total Federal Revenue Changes		70,000	2
State Revenue			
2024-25 lottery revenues in excess of projection	65,000		
New reversing opioid overdoes grant	10,000		
Strong Workforce Ag Shop Program grant	90,000		
Miscellaneous	(5,000)		
Total State Revenue Changes		160,000	3
Local Revenue			
Medi-cal billing revenues (budgeted when received)	255,000		
Increase in Special Education AB602 allocation	225,000		
Locally restricted grants	30,000		
Increase in projected facility use revenues based on actuals to date and facility use agreement	30,000		
Increase in projected interest revenues	250,000		
Miscellaneous	25,000		
Total Local Revenue changes		815,000	4
Total Change in Revenues			810,000
Expenditures			
Certificated Salaries			
Hired 2.0 special education teachers for vacancies previously filled by NPA	45,000		
Substitute teacher needs above projected (employee leaves)	65,000		
Portion of PHS counselor funded from CSI	25,000		
Teacher timesheets/stipends	45,000		
Substitute principal at TBHS	10,000		
Miscellaneous	25,000		
Total Certificated Salaries changes		215,000	5
Classified Salaries			
Actual hires for vacancies over budget	20,000		
Increase in board stipends	25,000		
Increase in classified substitute/overtime needs	35,000		
1.0625 van driver positions	40,000		
Miscellaneous	5,000		
Total Classified		125,000	6
Statutory & Health and Welfare Benefits			
Increases for adjustments above	60,000		
Actual substitute STRS/social security costs vs budget	(60,000)		
Position control adjustments	(45,000)		
Miscellaneous	(25,000)		
Total Benefits		(70,000)	7

**WESTERN PLACER UNIFIED SCHOOL DISTRICT
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2025-26 Second Interim Notes**

Changes to projected ending fund balance, continued:

Books and Supplies			
Increase in supplemental allocation	65,000		
Decrease in gasoline and diesel budgets	(30,000)		
Increase in custodial supplies	20,000		
Medi-cal billing expenditures (budgeted when spent)	40,000		
Maintenance expenses	10,000		
Strong Workforce Ag Shop Program grant	30,000		
Reversing opioid overdose grant	10,000		
Ethnic studies one-time funds 24/25 carryover	50,000		
Ca community schools 24/25 carryover	225,000		
Transfers out to other object codes	<u>(125,000)</u>		
Total Books and Supplies		295,000	8
Services & Other Operating Expenditures			
Increase in utilities budgets (electricity, telephone, water)	95,000		
Increase in technology licenses	210,000		
Instructional materials funds	300,000		
Increase in property/liability insurance	55,000		
Locally restricted grants	30,000		
Reduction in NPA 1:1 services	(120,000)		
Reduce transportation services	(40,000)		
Transfers to other object codes	(30,000)		
Reduce maintenance legal budget	(15,000)		
Miscellaneous	<u>10,000</u>		
Total Services and Other Operating Costs		495,000	9
Capital Outlay			
Transportation van	30,000		
Strong Workforce Ag Shop Program grant	60,000		
Art & Music in schools grant - purchase of stage drapes	<u>25,000</u>		
Total Capital Outlay		115,000	10
Transfers out to other funds - Increase in Cafeteria Fund 13 expenditures - contribution		195,000	11
Total Change in Expenditures			\$1,370,000
Rounding			\$853
Total Change in Budgeted FB			<u>(\$559,147)</u>
	Budgeted Deficit Spending at First Interim		<u>(\$12,509,297)</u>

**WESTERN PLACER UNIFIED SCHOOL DISTRICT
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2025-26 Second Interim Notes**

Multi-Year Projections 2025-26, 2025-26 and 2027-28 Budget Years:

The multi-year projections provide a view of the current year (2025-26) budget and the subsequent two years' projected budgets.

	Second Interim 2025-26 Combined	Projection 2026-27 Combined	Projection 2027-28 Combined
Revenues			
LCFF Funding - Base	93,642,791	97,698,833	102,562,963
LCFF Funding - Supplemental	6,133,184	6,476,899	6,777,024
Federal Revenue	3,896,266	3,001,266	3,001,266
State Revenue	16,579,632	13,737,632	13,787,632
Local Revenue	9,996,158	8,316,663	8,316,663
Total Revenues	130,248,031	129,231,293	134,445,548
Expenditures			
Certificated Salaries	50,039,453	50,813,818	52,317,670
Classified Salaries	19,397,648	19,624,588	20,186,602
Benefits	31,653,192	31,624,109	32,366,912
Books and Supplies	17,274,901	5,514,907	6,017,647
Other Services & Oper. Exp	19,530,705	16,154,210	16,294,210
Capital Outlay	796,276	324,276	324,276
Other Outgo 7xxx	3,817,674	3,986,787	4,159,748
Transfer of Indirect 73xx	(241,090)	(241,090)	(241,090)
Total Expenditures	142,268,759	127,801,604	131,425,975
Surplus / (Deficit)	(12,020,728)	1,429,689	3,019,573
Transfers In	290,000	500,000	-
Transfers out	(778,569)	(1,133,060)	(1,260,608)
Contributions to Restricted	-	-	-
Net Increase (Decrease) in Fund Balance	(12,509,297)	796,629	1,758,966
Beginning Balance	26,132,047	13,622,750	14,419,379
Ending Fund Balance	13,622,750	14,419,379	16,178,345
Components of Ending Fund Balance			
Nonspendable:			
Revolving Cash	5,000	5,000	5,000
Prepaid Expenditures	214,880	114,814	55,165
Restricted:			
State, Federal and Local programs	7,403,824	7,513,489	7,562,243
Unassigned/Unappropriated:			
Economic Uncertainty @ 3%	4,291,420	3,868,040	3,980,597
LCFF Supplemental revenues increase	-	276,715	505,840
Unassigned Economic Uncertainty surplus/(deficit)	1,707,626	2,641,321	4,069,499
Total Ending Fund Balance	13,622,750	14,419,379	16,178,345

**WESTERN PLACER UNIFIED SCHOOL DISTRICT
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2025-26 Second Interim Notes**

Multi-Year Projections 2025-26, 2026-27 and 2027-28 Budget Years:

The multi-year projections provide a view of the current year (2025-26) budget and the subsequent two years' projected budgets. The multi-year projections are built on assumptions provided by the PCOE Common Message, School Services of California, the 2025-26 State adopted budget, the State Dept. of Finance (DOF), LAO, FCMAT LCFF Calculator, federal funding projections and district trends and data.

In 2025-26, the District's Second Interim Budget reporting shows the unrestricted General Fund with a planned deficit of \$4.5 million, which is the amount of prior year unspent funds budgeted in expenditures to be spent in 2025-26.

Budget Reductions

In 2024-25, the Board approved the recommendations of the District Budget Advisory Committee and reduced both the 2025-26 and 2026-27 budgets. The reductions totaled \$5.3 million in 2025-26 and \$3.6 million 2026-27. Note that no reductions are included in the 2027-28 projection.

Local Control Funding Formula (LCFF)

The final State budget for 2025-26 funded the statutory 2.30% COLA. The projected COLA of 2.41% for 2026-27 and 3.06% for 2027-28 will be updated at 2026-27 Adopted Budget after the Governor presents his May 2026-27 State Budget proposal. We will address any adjustments to the COLA for 2026-27 and 2027-28 at that time.

Projected 2025-26 enrollment has decreased by 63 students to 8,230 based on actual CALPADS enrollment. Correspondingly, budgeted ADA has decreased by 59 to 7,736. This projection assumes an ADA-to-enrollment percentage of 94.0%. The rate is projected to remain at that level for the 2026-27 and 2027-28 school years. We will continue to monitor district enrollment and the actual ADA-to-enrollment ratio, and adjust assumptions if needed.

CalSTRS and CalPERS Employer Contributions and Statutory Benefit Costs

CalSTRS employer contributions are currently projected to remain at 19.1% over the next several years. CalPERS contributions are projected to increase from 26.81% in 2025-26, to 26.4% in 2026-27 and 26.9% in 2027-28.

Enrollment and ADA

Enrollment and attendance information for the 2024-25 Unaudited Actuals, the current 2025-26 budget year and the next two budget years are listed in the table below on the next page.

**WESTERN PLACER UNIFIED SCHOOL DISTRICT
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2025-26 Second Interim Notes**

	24/25 Unaudited Actuals	25/26 First Interim	25/26 Second interim	26/27 Projection	2027/28 Projection
REVENUES					
Enrollment	8,051	8,293	8,230	8,395	8,562
ADA Yield	93.6%	94.0%	94.0%	94.0%	94.0%
ADA (Excl. County ADA)	7,532	7,795	7,736	7,891	8,049
ADA (Incl. County ADA)	7,548	7,811	7,749	7,904	8,062
% Increase (Decrease) Enrollment	2.31%	3.00%	2.22%	2.00%	2.00%
# Increase (Decrease) Enrollment	182	242	179	165	168
# Increase (Decrease) in ADA	86	263	204	96	158

The district decreased projected 2025-26 enrollment by 63 students, to 8,230 based on actual CALPADS enrollment. Total enrollment represents an increase of 2.22%, a decrease from the 3.0% adopted budget. Using a 94.0% ADA-to-enrollment ratio, 2025-26 projected ADA has decreased from 7,795 to 7,736.

For 2026-27 and 2027-28, we are projecting that enrollment will increase by 2.0% each year, to 8,395 in 2026-27 and 8,562 in 2027-28, while the ADA-to-enrollment ratio remains stable at 94.0%. The District is projecting ADA to be 7,891 in 2026-27 and 8,049 in 2027-28.

Contributions to Restricted Programs

Some categorical programs require contributions from the district unrestricted funds as the funding received does not cover the expenditures for that specific program. A summary of the change in contributions from 2025-26 First Interim Budget to 2025-26 Second Interim Budget is presented below:

Contributions to Restricted Programs 2025-26 First Interim vs. Second Interim						
<u>Program</u>	<u>Resource</u>		<u>2025-26 First Interim</u>	<u>2025-26 Second Interim</u>	<u>Change</u>	<u>Comments</u>
Special Ed-Basic Grant (PL94-142)	3310 *		\$4,715,534	\$4,554,688	(\$160,846)	\$52k increase in projected revenues. \$108k position savings (vacancies) and costs of actual hires vs. budgeted
Special Ed - Preschool	3315 *		\$18,951	\$18,951	\$0	
Special Education	6500 *		\$12,177,785	\$11,798,138	(\$379,647)	\$227k increase in projected revenues. \$20k reduction in translator/interpreter need. \$122k reduction in 1:1 NPA needs.
Mandat Block Grant Restricted	7820		(\$400,000)	(\$400,000)	\$0	
Routine Repair & Maintenance (RRM)	8150		\$3,825,753	\$3,825,753	\$0	
RDA Funds - Facilities	9030		(\$570,000)	(\$570,000)	\$0	
Technology Replacement	9077		\$250,000	\$250,000	\$0	
Chromebook Replacement	9078		\$0	\$0	\$0	
Misc. Locally Restricted	9010		\$435	\$435	\$0	
Charter Technical Assistance	9115		\$37,187	\$37,187	\$0	
Total Contribution to Restricted Programs			\$20,055,645	\$19,515,152	(\$540,493)	
*Total Special Ed Contribution			\$ 16,912,270	\$16,371,777	\$ (540,493)	

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Contribution to Routine Repair & Maintenance (RRM)

The State requires the RRM contribution be budgeted at 3% of the District's projected expenditures and transfers out. In 2025-26, the contribution to RRM is funded through a combination of \$3,255,753 of unrestricted funds and \$570,000 of restricted redevelopment agency (RDA) funds. We have projected the contribution to increase by 3% in both 2026-27 and in 2027-28.

Other Expenditure Assumptions

Negotiations are ongoing for all employee groups. The second interim budget and multi-year projections do not include any projected salary settlements. Additionally, no agreements are included in the 2026-27 or 2027-28 budget years.

COMPONENTS OF ENDING FUND BALANCE

Details of Components of Ending Fund Balance for 2025-26, 2026-27, and 2027-28 are listed below:

	Second Interim 2025-26 Combined	Projection 2026-27 Combined	Projection 2027-28 Combined
Ending Fund Balance	13,622,750	14,419,379	16,178,345
Components of Ending Fund Balance Nonspendable:			
Revolving Cash	5,000	5,000	5,000
Prepaid Expenditures	214,880	114,814	55,165
Restricted:			
State, Federal and Local programs	7,403,824	7,513,489	7,562,243
Unassigned/Unappropriated:			
Economic Uncertainty @ 3%	4,291,420	3,868,040	3,980,597
LCFF Supplemental revenues increase	-	276,715	505,840
Unassigned Economic Uncertainty surplus/(deficit)	1,707,626	2,641,321	4,069,499
Total Ending Fund Balance	13,622,750	14,419,379	16,178,345
Unassigned/Economic Uncertainties Reserves as a % of Total Expenditures/Other Outgo	4.2%	5.0%	6.1%

When reviewing the components of Ending Fund balance it is important to distinguish those amounts that are *non-spendable, restricted and unassigned/unappropriated*. For the 2025-26 budget year and next two budget years the district is meeting the minimum 3% *Reserve for Economic Uncertainties*. Amounts that are not specifically identified for designated uses as noted above are included in the *Reserve – Unassigned Economic Uncertainty Surplus*.

**WESTERN PLACER UNIFIED SCHOOL DISTRICT
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DISTRICT OTHER FUNDS

Included below are the other funds of the District. The budgets have been updated to reflect budget adjustments up to the Second Interim reporting period.

	2025-26 SECOND INTERIM			
	Beginning Fund Balance	Revenues	Expenditures	Ending Fund Balance
Fund 08 - Student Activity Fund	\$ 1,091,962	\$ -	\$ -	\$ 1,091,962
Fund 11 - Adult Education Fund	\$ 22,044	\$ 221,590	\$ 222,842	\$ 20,792
Fund 12 - Child Development Fund	\$ 13,206	\$ 287	\$ -	\$ 13,493
Fund 13 - Cafeteria Fund	\$ 4,023	\$ 6,731,501	\$ 6,694,692	\$ 40,832
Fund 14 - Deferred Maintenance Fund	\$ 242,424	\$ 247,875	\$ 117,723	\$ 372,576
Fund 17 - Special Reserve for Other Than Capital Outlay	\$ 792,435	\$ 20,000	\$ 250,000	\$ 562,435
Fund 21 - Building Fund	\$ 91,489	\$ 3,200	\$ -	\$ 94,689
Fund 22 - Building Fund (2)	\$ 237,723	\$ 18,502,869	\$ 18,507,557	\$ 233,035
Fund 23 - Building Fund (3)	\$ -	\$ 658,734	\$ -	\$ 658,734
Fund 25 - Capital Facilities Fund	\$ 13,360,413	\$ 7,230,954	\$ 6,318,778	\$ 14,272,589
Fund 35 - County Schools Facilities Fund	\$ 396,215	\$ 10,170	\$ -	\$ 406,385
Fund 40 - Special Reserve for Capital Outlay Projects	\$ 1,907,477	\$ 75,000	\$ 40,000	\$ 1,942,477
Fund 49 - Debt Service Fund for Blended Component Units	\$ 23,764,451	\$ 8,473,723	\$ 11,217,524	\$ 21,020,650
Fund 71 - Retiree Benefit Fund	\$ 7,998	\$ 250	\$ -	\$ 8,248
Fund 73 - Foundation Private-Purpose Trust Fund	\$ 175,119	\$ 6,000	\$ -	\$ 181,119