



PERRIS UNION
HIGH SCHOOL DISTRICT

2025-2026

Second Interim Budget Report

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Board Meeting
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Second Interim Financial Report

Education Code §42130 requires Districts to submit two financial interim reports to the County Office of Education each fiscal year:

- 1st Interim: Financial transactions from July 1 to October 31
- 2nd Interim: Financial transactions from July 1 to January 31

The Interim Financial Report is designed to:

- Identify the changes to the budget, since adoption in June. The overall change to revenues, expenditures and ending fund balance and reserves.
- Provide an in-depth multiyear analysis, using current projection factors, to state the District's ability to meet its financial obligations for the current and two subsequent fiscal years.
- Certify, in this case Positive, based on current information, the District will be able to meet its fiscal obligations for the current and two subsequent years.



Focus: Budget/Financial Cycle

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Adopted Budget
2025-2026

First Interim Report

Second Interim Report

Estimated Actuals

Unaudited Actuals



Enrollment and ADA

	2025-26 First Interim	2025-26 Second Interim	Change
Enrollment	10792	10793	1
ADA	9782.94	9783.85	0.91
ADA Rate	90.65%	90.65%	0.00%



2025-26 General Fund Revenues – Combined

	Unrestricted	Restricted	Combined Total
LCFF Sources	158,521,564	0	158,521,564
Federal Revenue	219,501	9,216,088	9,435,589
Other State Revenue	4,725,381	\$17,324,413	22,049,794
Other Local Revenue	8,807,799	\$11,295,176	20,102,975
Total Revenues	172,274,245	37,835,677	210,109,922



General Fund Expenditures - Combined

	Unrestricted	Restricted	Combined Total
Certificated Salaries	63,505,937	17,478,362	80,984,299
Classified Salaries	25,287,440	\$12,927,187	38,214,627
Benefits	34,035,888	\$20,198,302	54,234,190
Books and Supplies	6,145,060	\$6,078,735	12,223,796
Services	21,471,064	\$12,564,286	34,035,350
Capital Outlay	1,255,434	\$331,436	1,586,870
Other Outgo (excluding direct cost)	300,000	\$614,626	914,626
Other Outgo (transfer direct cost)	-4,910,087	\$3,595,286	-1,314,801
Total Expenditures	147,090,736	73,788,220	220,878,958



Unrestricted General Fund Revenues – Change from First Interim Budget

	2025-26 First Interim	2025-26 Second Interim	Change
LCFF Sources	158,552,211	158,521,564	-\$30,647
Federal Revenues	216,751	219,501	\$2,750
Other State Revenues	4,750,051	4,725,381	-\$24,670
Other Local Revenues	8,507,799	8,807,799	\$300,000
TOTAL REVENUES	172,026,812	172,274,245	247,433



Unrestricted General Fund Expenditures 2025-26 Change from First Interim Budget

	2025-26 First Interim	2025-26 Second Interim	Change
Certificated Salaries	63,917,511	63,505,937	-411,574
Classified Salaries	25,038,564	25,287,440	248,876
Employee Benefits	34,853,054	34,035,888	-817,166
Books & Supplies	5,585,357	6,145,060	559,703
Services & Other Operating Expenses	21,513,772	21,471,064	-42,708
Equipment / Capital Outlay	1,207,234	1,255,434	48,200
Debt & Tuition	300,000	300,000	0
Indirect Costs	-5,172,926	-4,910,087	262,839
TOTAL EXPENDITURES	147,242,566	147,090,736	-151,830



Contributions to Restricted Resources

	2025-26 First Interim	2025-26 Second Interim	Change
Special Education	28,153,628	28,153,628	0
RRMA	6,397,795	6,427,795	30,000
COVID Funds	-3,263,733	-3,263,733	0
Total	31,287,690	31,317,690	30,000



Components of Ending Fund Balance - Unrestricted

	2025-26 First Interim	2025-26 Second Interim	Change
Adj. Beginning Fund Balance	45,780,942	45,780,942	0
Plus: Revenues	172,026,812	172,274,245	247,433
Less: Expenditures	147,242,566	147,090,736	-151,830
Plus: Transfers In	2,185,278	2,185,278	0
Minus: Transfers Out	148,777	20,000	-128,777
Ending Fund Balance	41,313,998	41,812,038	498,040
Cash, Stores & Prepaids	25,000	25,000	0
Other Assignments	28,019,998	28,533,101	513,103
Reserve for Economic Uncertainties	13,269,000	13,253,937	-15,063



Multi-Year Projections (MYP)



FY 2025-26, FY 2026-27, and FY 2027-28



MYP Enrollment & ADA Assumptions

	2025-26 Budget	2026-27 Projection	2027-28 Projection
Enrollment	10793	10684	10,577
ADA Rate	90.65%	90.65%	90.65%



MYP Projection Factors

	2025-26 Budget	2026-27 Proj.	2027-28 Proj.
Step and Column Movement Certificated	1.11%	1.11%	1.11%
Step and Column Movement Classified	1.11%	1.11%	1.11%
Health and Welfare Benefits CAP Increase	10%	10%	10%
Statutory COLA	2.30%	2.41%	3.42%
Lottery Revenue – Unrestricted	\$190.00	\$190.00	\$190.00
Lottery Revenue – Restricted	\$82.00	\$82.00	\$82.00
Mandated Block Grant	2.30%	3.02%	3.42%
CalSTRS Employer Rates	19.10%	19.10%	19.10%
CalPERS Employer Rates	26.81%	26.40%	26.90%
LCFF Unduplicated % for Supplemental & Concentration Grants	74.43%	74.48%	74.37%



MYP Revenues - Unrestricted

	2025-26 Budget	2026-27 Proj.	2027-28 Proj.
LCFF Sources	158,521,564	162,426,026	166,694,002
Federal Revenue	219,501.00	219,501	219,501
Other State Revenue	4,725,381.00	4,730,220	4,729,373
Other Local Revenue	8,807,799.00	3,170,491	2,882,608
Total Revenues	172,274,245	170,546,237	174,525,483



MYP Expenditures - Unrestricted

Components	2025-26 Budget	2026-27 Proj.	2027-28 Proj.
Certificated Salaries	63,505,937	62,462,082	63,549,249
Classified Salaries	25,287,440	25,366,983	25,813,246
Employee Benefits	34,035,888	34,584,413	36,218,354
Books and Supplies	6,145,060	4,791,653	4,612,423
Services and Other Operating Expenditures	21,471,064	23,137,230	24,547,660
Capital Outlay/Depreciation	1,255,434	555,434	555,434
Other Outgo (excluding Transfers of Indirect Costs)	300,000	310,500	321,368
Other Outgo - Transfers of Indirect Costs	-4,910,087	-4,841,004	-4,893,912
Total Expenditures	147,090,737	146,367,292	150,723,823 ¹⁵



MYP Contributions to Restricted Programs

	2025-26 Budget	2026-27 Proj.	2027-28 Proj.
Special Education	28,153,628	29,468,232	31,002,085
RRMA	6,427,795	6,291,586	6,481,078
Covid Funds	-3,263,733	0	0
Total	31,317,690	35,759,818	37,483,163

*Routine Restricted Maintenance Account



MYP Components of Ending Fund Balance - Unrestricted

	2025-26 Budget	2026-27 Proj.	2027-28 Proj.
Adj. Beginning Fund Balance	45,780,942	41,812,038	32,396,445
Plus: Revenues	172,274,245	170,546,238	174,525,484
Less: Expenditures	147,090,736	146,367,292	150,723,823
Plus: Transfers In	2,185,278	2,185,278	2,185,278
Minus: Transfers Out	20,000	20,000	20,000.00
Minus: Contributions	31,317,690	35,759,818	37,483,163
Ending Fund Balance	41,812,038	32,396,445	20,880,221
Cash	25,000	25,000	25,000
Other Assignments	28,533,101	19,364,772	7,472,492
Reserve for Economic Uncertainties	13,253,937	13,006,672	13,382,728



Net Decrease in Fund Balance- Second Interim

Component	2025-26 Budget	2026-27 Proj.	2027-28 Proj.
NET INCREASE (DECREASE) AMOUNT	-3,968,904	-9,415,594	-11,516,224



Overview of the Budget Cycle FY2025-26

Structural Deficit	Adopted Budget - June	First Interim - December	Second Interim - March
NET INCREASE (DECREASE) AMOUNT	-2,901,271	-4,466,944	-3,968,904



Key Takeaways

The following indicators reflect areas where the District's fiscal position moved in a positive direction at Second Interim:

- **Ending Fund Balance Improved.** The unrestricted ending balance grew by \$498,040 between First and Second Interim, reaching \$41.8 million.
- **Expenditures** Came in Under First Interim Projections. The \$151,830 reduction reflects mid-year discipline
- **Structural Deficit Narrowed:** The deficit improved from $-\$4.47$ million at First Interim to $-\$3.97$ million at Second Interim.
- **Enrollment Held Steady:** The District held at 10,793 students — a net gain of one student with an unchanged ADA rate of 90.65%.
- **Reserve Remains Compliant.** The Reserve for Economic Uncertainties stands at \$13.25 million, meeting the state-required minimum.



Next Steps

The following actions are underway for the remainder of FY 2025–26 and the 2026–27 budget development cycle:

- Incorporate the Governor’s May Revision, updated LCFF projections, and revised enrollment/ADA estimates.
- Identify strategies to address the structural deficit and maintain sustainable reserve levels.
- Review staffing allocations and program costs to ensure expenditures align with projected student enrollment & ADA.
- Evaluate Ongoing Cost Pressures through monitoring and planning for increases in benefits, pensions, and contributions to restricted resources
- Work with sites, departments, and leadership to prioritize resources and align the budget with district goals.



Questions