



SUPERINTENDENT'S FORUM

JUNE 9, 2026



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- May Revision Budget Updates
- District Successes
- Strategic Plan Update

ECONOMIC OUTLOOK & MAY REVISION UPDATES

MAY REVISION & ECONOMY

- May Revision revenues were upgraded by approximately \$16.5 billion over the budget window due primarily to PIT
- Strong capital gains collections contributed to higher-than-expected revenues

- Inflation assumptions increased from the Governor's Budget
- Rising energy prices and global uncertainty continue to pose inflation risks
- Higher costs continue to affect operating costs across state programs

- Labor market growth continues at a slower pace than prior years
- Hiring activity and job openings have moderated
- Technology and financial sectors significantly influence state revenue



- May Revision assumes moderate but stable growth
- No projected contraction

- May Revision balances both 2026-27 and 2027-28 fiscal years
- Future operating deficits reduced, but structural risks remain
- Budget solutions rely heavily on continued revenue growth and economic stability

- California unemployment remains above the national average
- Labor market conditions remain stable

Source: School Services of California (SSC)

FEDERAL FISCAL POLICY UPDATE

•The Trump Administration released its full budget proposal for fiscal year 2027



Increase

- IDEA State Grants
- IDEA Infant Grants
- Impact Aid
- Indian Education



Maintain

- Title I
- Charter Schools
- Career Technical Education State Grants



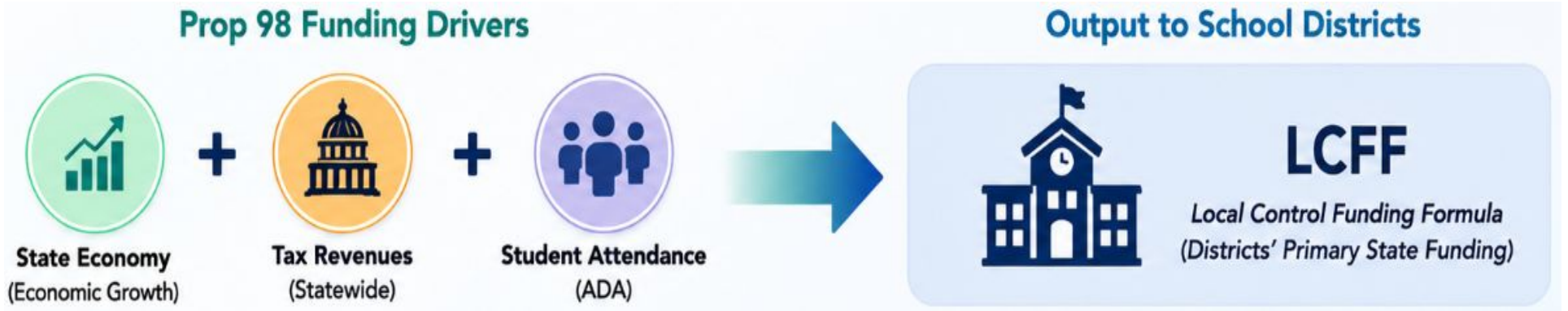
Eliminate or Block Grant (Partial List)

- | | |
|---|---|
| <ul style="list-style-type: none"> ▪ IDEA Preschool ▪ IDEA National Activities ▪ Supporting Effective Instruction State Grants (Title II-A) ▪ Student Support and Academic Enrichment Grants (Title IV-A) ▪ 21st Century Community Learning Centers ▪ State Assessments ▪ Rural Education Achievement Program ▪ School Safety National Activities | <ul style="list-style-type: none"> ▪ Comprehensive Literacy State Development ▪ Education for Homeless Children and Youth ▪ English Language Acquisition (Title III) ▪ Migrant Education ▪ Education Innovation and Research ▪ Full-Service Community Schools |
|---|---|

Source: (SSC)

PROPOSITION 98

• **Prop 98** is CA law that guarantees a minimum level of funding each year for schools



⚙️ Suspension

- Outstanding balance is adjusted for COLA and average daily attendance (ADA) every year
- The state Constitution prescribes when repayments must be made based on state revenue performance
- Requires a two-thirds vote of the Legislature

⚙️ Settle Up

- No adjustments are made for COLA or ADA
- The Director of Finance determines when repayments are made and on what schedule
- Requires a majority vote of the Legislature

• The **Prop 98 minimum guarantee** has only been constitutionally suspended three times in its nearly 40-year history

- **2023-2024**
- **2010-2011**
- **2004-2005**

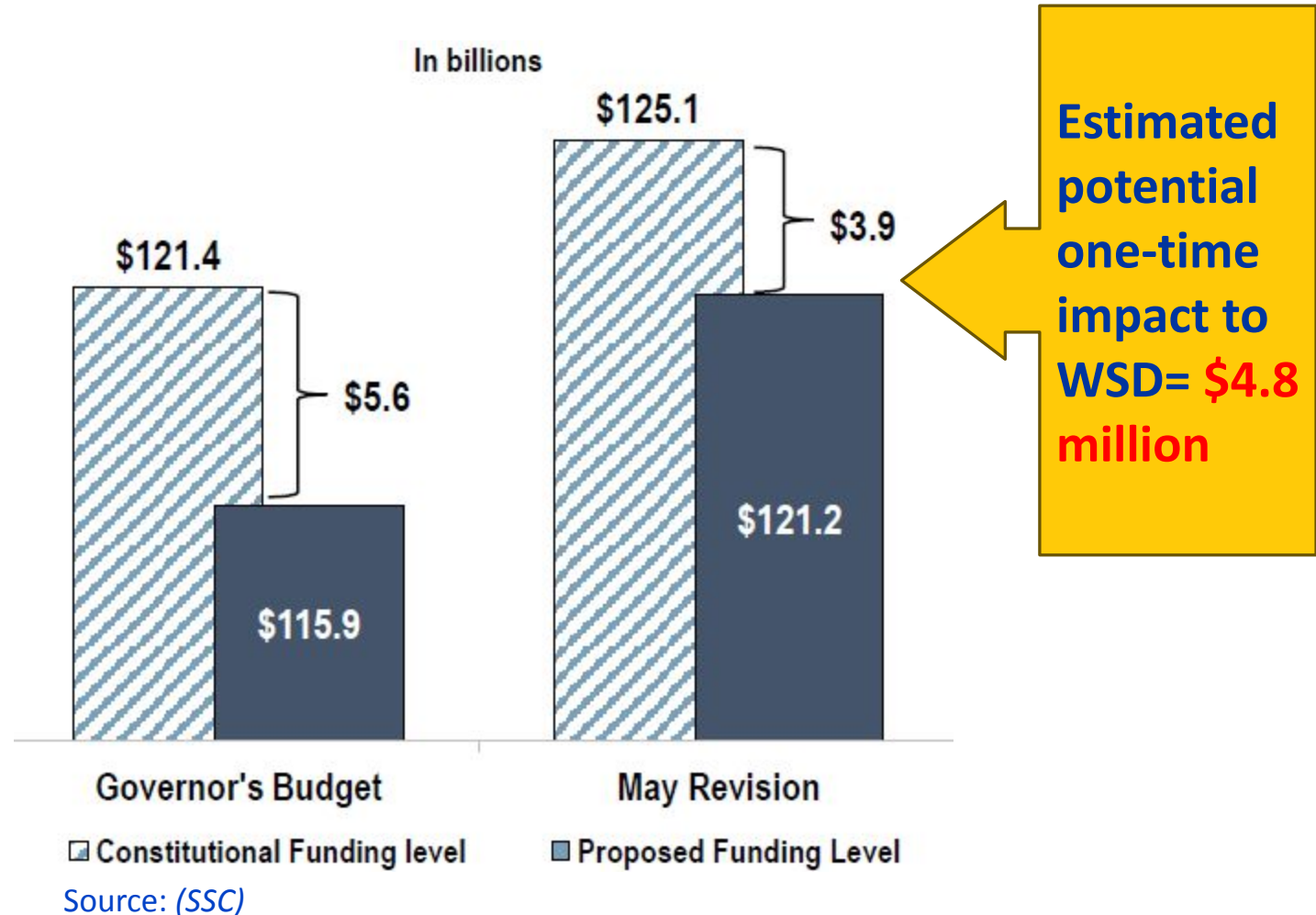
Source: (SSC)



PROP 98 “SETTLE UP”

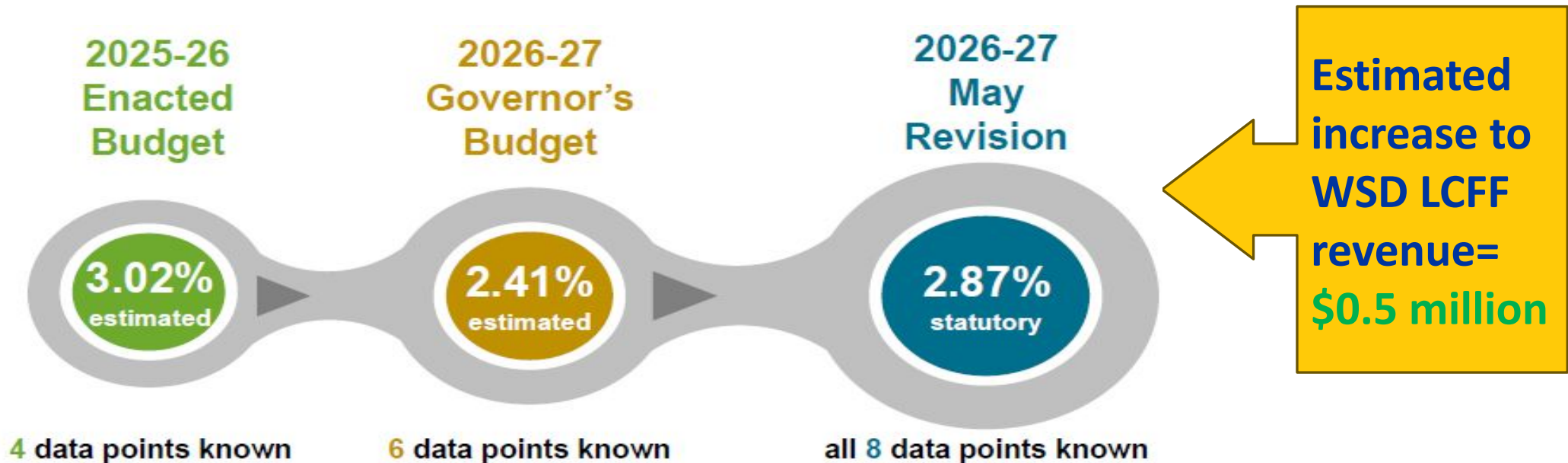
- If the 2025-26 minimum guarantee was fully appropriated in the current year and allocated to schools on an equal per-ADA basis, districts would receive approximately:

\$654 per ADA



2026-27 COLA

- COLA directly impacts **Local Control Funding Formula (LCFF)**, which is our primary source of revenue






Source: (SSC)

- The Governor's **May Revise** also proposes an additional **LCFF** investment of a **1.44% COLA**; however, for the first time these additional dollars come with added mandates.

NEW MANDATE PROPOSAL

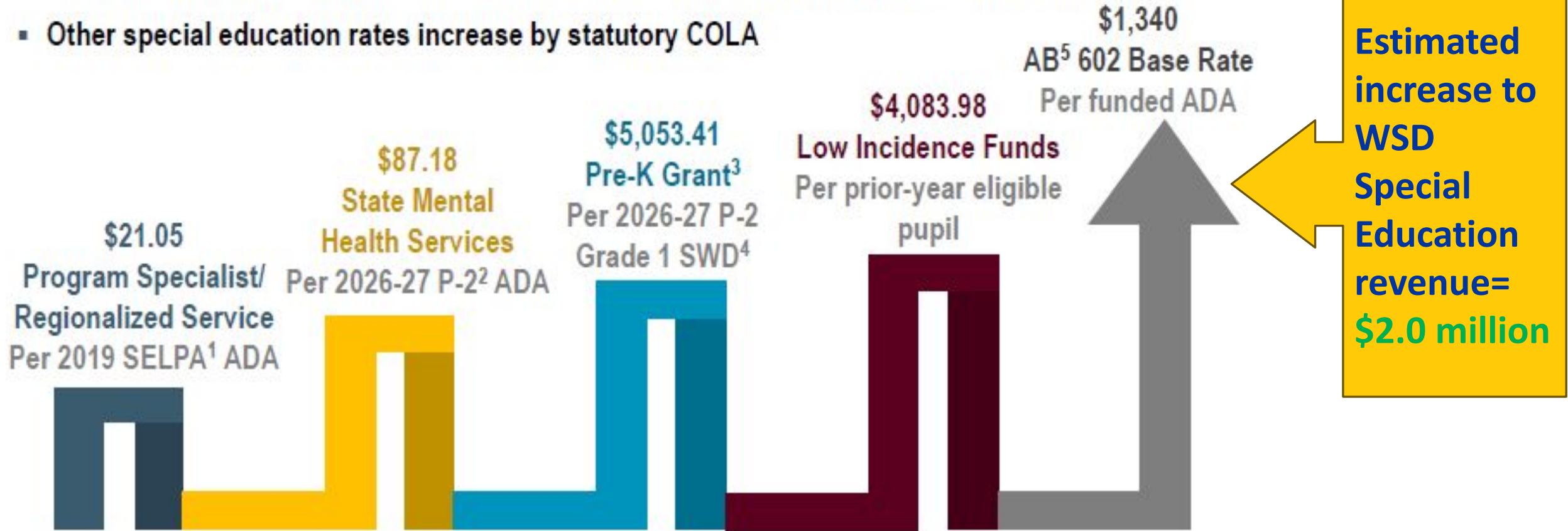
- May Revision proposes to **mandate paid disability leave** for medical conditions related to pregnancy
 - Applies to certificated and classified public school employees

 Leave Requirements	 Leave Duration	 Leave Tracking
<ul style="list-style-type: none"> ▪ Qualifying reasons for leave include disability due to pregnancy, miscarriage, childbirth, termination of pregnancy, or recovery from those conditions ▪ This leave does not require a minimum number of hours worked or length of service to qualify <p>Source: (SSC)</p>	<ul style="list-style-type: none"> ▪ Leave of absence is full pay up to a maximum of 14 weeks ▪ Leave may be taken before and continue after childbirth if the employee is disabled by pregnancy or other related medical conditions ▪ The length of the leave of absence is determined by the employee and the employee's physician 	<ul style="list-style-type: none"> ▪ Leave taken under this provision is not deducted from any other accrued paid leave ▪ Runs consecutively with other state and federal leaves of absence regulations and laws



OTHER STATE BUDGET UPDATES

- Special education base rate to receive historic additional investment of over \$2.3 billion
- Other special education rates increase by statutory COLA



¹Special Education Local Plan Area; ²Second Principal Apportionment; ³Early Intervention Preschool Grant; ⁴Students with disabilities; ⁵Assembly Bill

Source: (SSC)



WSD SPECIAL EDUCATION FUNDING

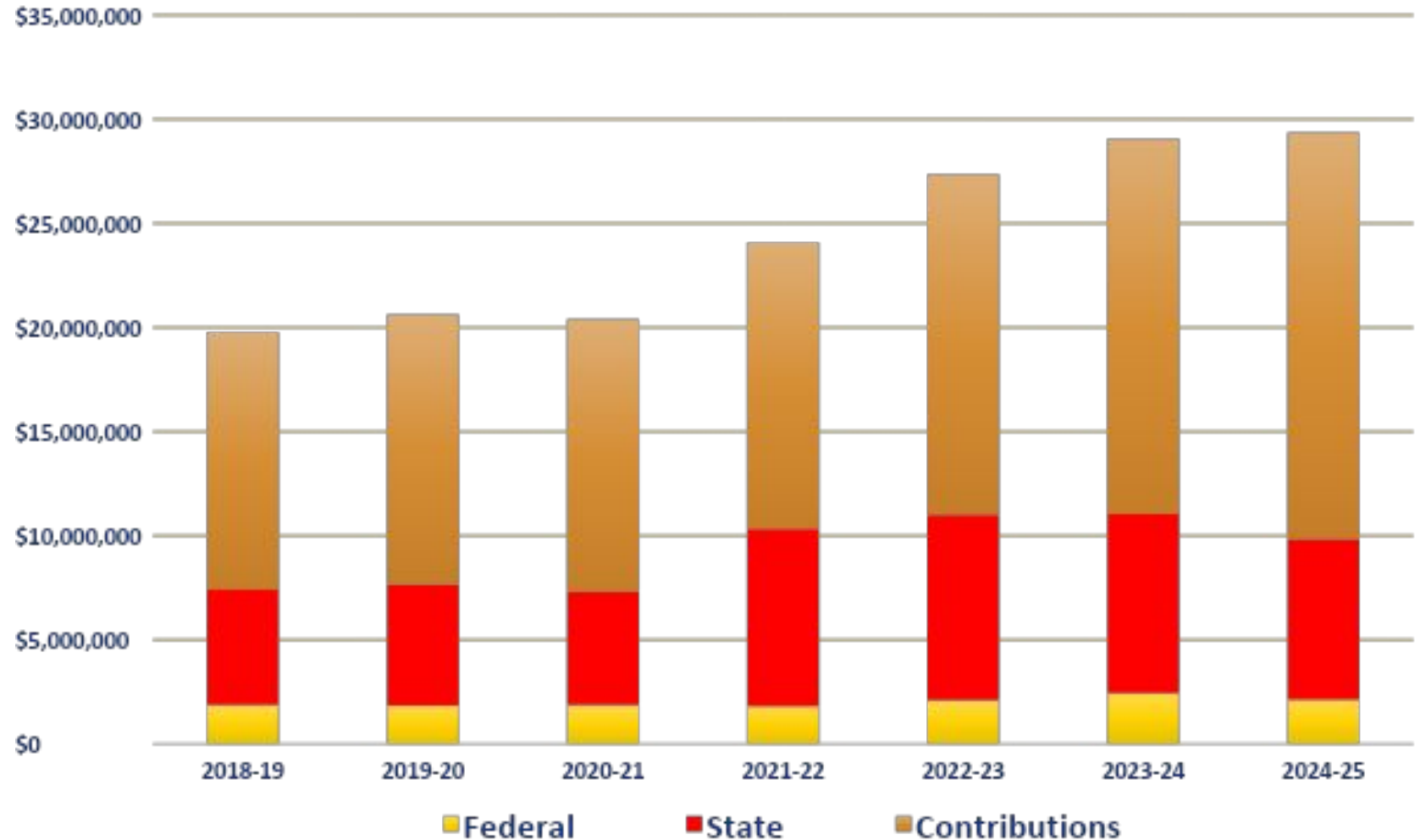
- Funding from the state and federal levels are insufficient to cover all expenditures, which requires a local contribution

- WSD 2018-19 thru 2024-25 average funding:

- **Federal=8.3%**

- **State=29.5%**

- **Local/Contribution=62.1%**





OTHER STATE BUDGET UPDATES (CONTINUED)

- **2.87% COLA** applied to categorical programs (**Child Nutrition, State Preschool & Mandated Block Grant**)
- **\$1.0 billion Community Schools** expansion – Eligible districts with 65% +UPP
- **Learning Recovery Emergency Block Grant (LREBG)**
 - **Estimated WSD Allocation= \$1.5 million**
- **Student Support & Professional Development Discretionary Block Grant**
 - **Estimated WSD Allocation= \$7.0 million**

Recommendation:
Use one-time state allocations to offset approximately 73% of PARS costs and preserve General Fund resources.



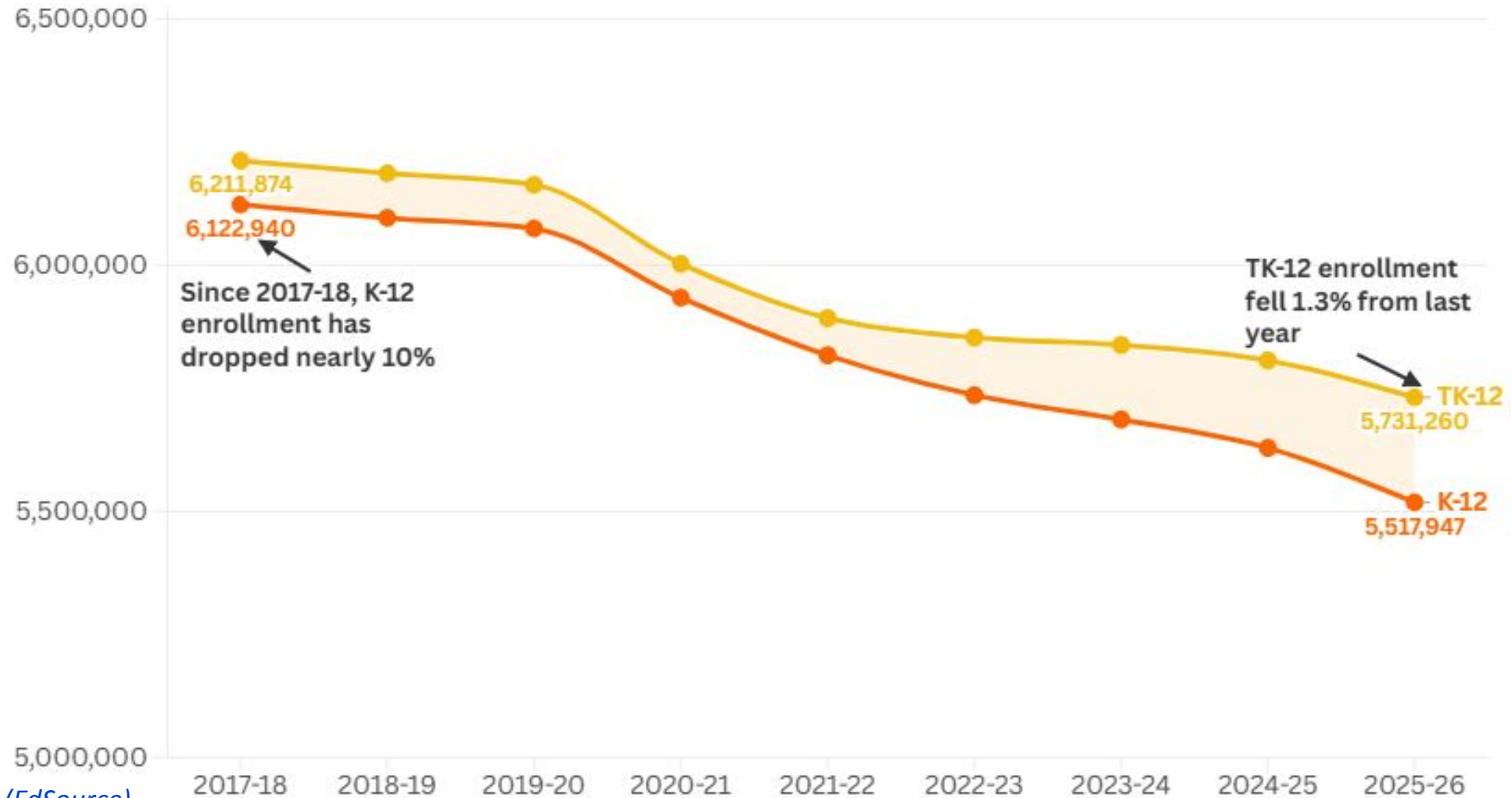
MULTI-YEAR PROJECTION ASSUMPTIONS

<u>Proposed Budget Planning Factors</u>	<u>2026-27</u>	<u>2027-28</u>	<u>2028-29</u>
Cost of Living Adjustment (COLA)			
Department of Finance Statutory COLA	2.87%	3.30%	3.09%
LCFF Planning COLA	2.87%	3.06%	3.34%
LCFF Grade Span Adjustment:			
TK-3	10.40%		
9-12 (n/a)	2.60%		
LCFF Add-on: Universal Transitional Kindergarten/ADA	\$5,704	\$5,879	\$6,075
Unduplicated Pupil Ratio (3-yr. rolling average)	76.19%	75.31%	75.07%
Special Education COLA	2.87%	3.06%	3.34%
Lottery			
Unrestricted per ADA	\$190	\$190	\$190
Restricted Prop. 20 per ADA	\$82	\$82	\$82
Mandated Block Grant K-8 per ADA	\$40.41	\$41.74	\$43.03
Salaries: Step/Column	As Budgeted	0.99%	0.92%
Minimum Wage (effective Jan 1)	\$17.40	\$18.00	\$18.50
Employer Benefit Rates:			
CalSTRS	19.10%	19.10%	19.10%
CalPERS-Schools	26.40%	26.80%	25.90%
Health & Welfare (ACA & Retiree Benefits)	As Budgeted	3.18%	2.76%
Unemployment Insurance Rate	0.05%	0.05%	0.05%



STATEWIDE ENROLLMENT

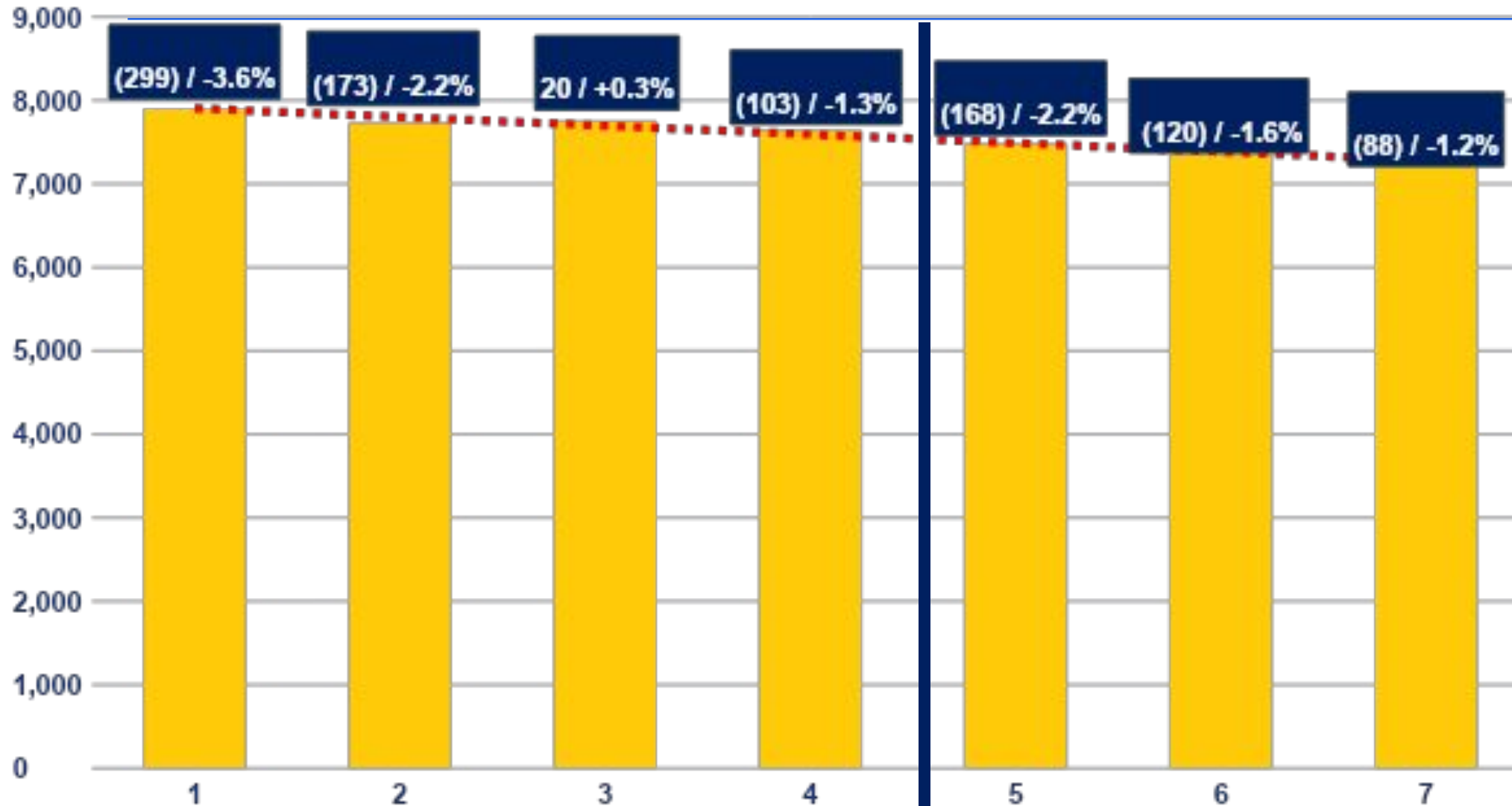
- CA enrollment continues to slide
 - Loss of nearly 75,000 TK-12 students in 2025-26



Source: (EdSource)



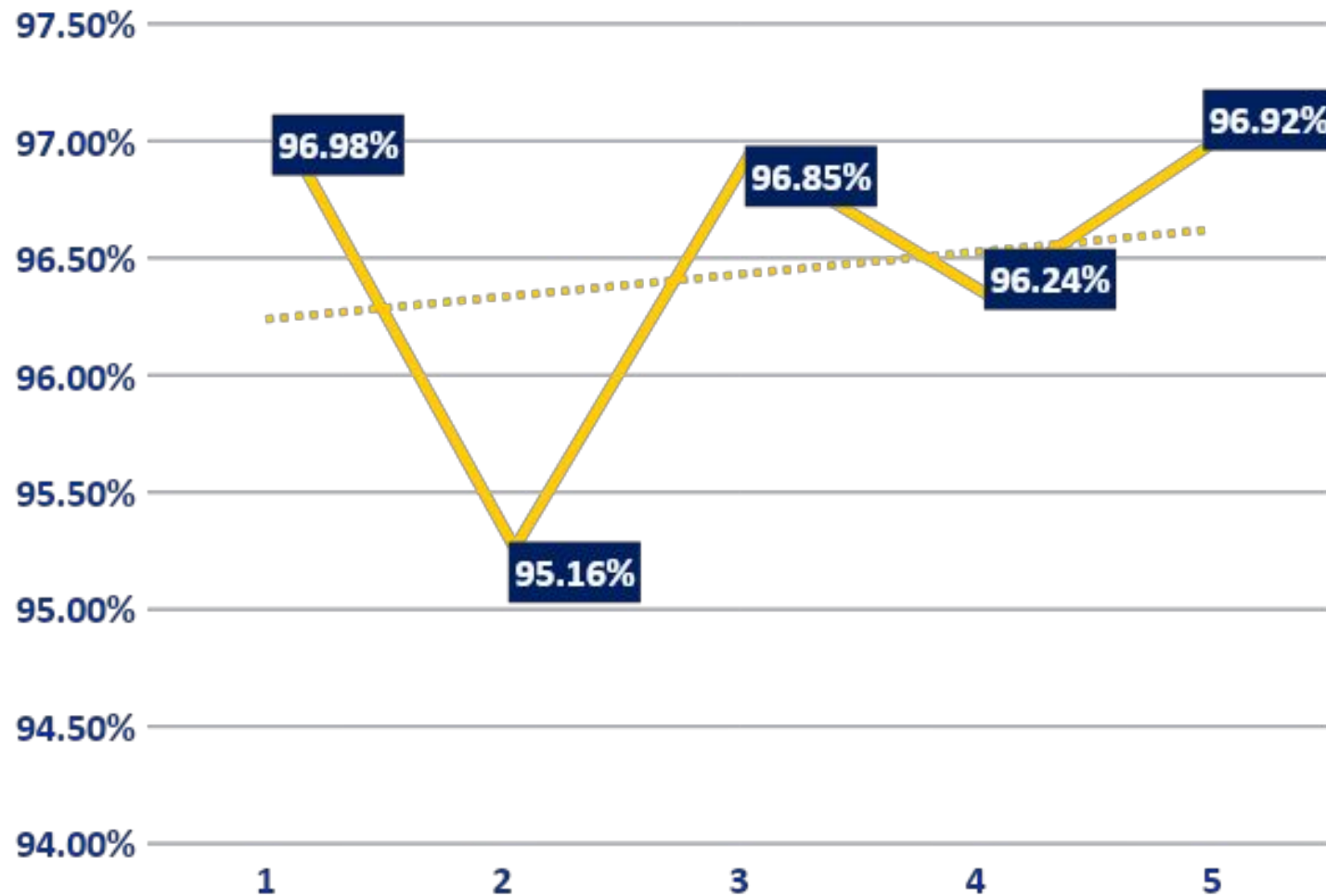
ENROLLMENT DATA



- **2022/23 – 2025/26:**
 - Average annual decline = -1.7%
 - Due to lower births, demographics, and housing costs
- Demographer projects annual decline of 0.9% - 1.8% through 2035
- Staff continues to monitoring TK enrollment trends and will update future projections



AVERAGE DAILY ATTENDANCE



- ADA is the average number of students attending school each day.
- ADA differs from enrollment – only counts students who are present.
 - 2021/22 thru 2024/25 average ADA= **96.31%**
 - 2025-26: 1% change in ADA= approximately **+\$600k**
 - Preliminary 2025-26 ADA ratio improved **+0.68%** from prior year to **96.92%**





MULTI-YEAR PROJECTIONS

General Fund - Unrestricted/Restricted (millions)	*2026-27	2027-28	2028-29
	<u>Preliminary</u>	<u>Projected</u>	<u>Projected</u>
Total Revenues	\$ 160.58	\$ 161.83	\$ 163.39
Total Expenditures	\$ 167.38	\$ 167.36	\$ 168.63
Change in Fund Balance	\$ (6.80)	\$ (5.53)	\$ (5.24)
Beginning Fund Balance/Audit Adjustment	\$ 54.79	\$ 48.00	\$ 42.47
Projected Ending Fund Balance	\$ 48.00	\$ 42.47	\$ 37.23
<u>Components of Ending Fund Balance</u>			
Reserve: Economic Uncertainties/REU-7%	\$ 11.72	\$ 11.72	\$ 11.80
Restricted Program Balances	\$ 11.01	\$ 11.06	\$ 10.29
Revolving Cash & Stores	\$ 0.12	\$ 0.12	\$ 0.12
Committed Balances: AB218 Uninsured Litigation, Strategic Planning, & Attract/Retain	\$ 7.84	\$ 6.07	\$ 4.31
Assigned Balances: Federal Uncertainty , Technology Refresh, Textbook Adoption, LCFF/COLA Decline, Safety, Marketing, Compensated Absences, CAPE Interests , Curriculum Alignment Elevate, Enrollment Contingency, Bus Replacement & Capital Improvements	\$ 6.55	\$ 4.43	\$ 3.50
Unappropriated Balance (UB)	\$ 10.77	\$ 9.07	\$ 7.21
Total Projected Ending Balance	\$ 48.00	\$ 42.47	\$ 37.23
Total Reserve (REU + UB)	13.4%	12.4%	11.3%
Total Reserve (REU + Committed + Assigned + UB)	24.1%	22.1%	18.8%

Key Assumptions & Outlook

- Revenues assume projected declining enrollment and statutory LCFF COLAs only.
- Projections exclude additional COLA investments, one-time block grants, and pending Special Education increases.
- Expenditures reflect 2025/26 negotiations (2.6%) + H&W and step/column increases.
- MYP projections reflect ongoing deficit spending averaging -3.1%.
- District maintains **positive certification**.

* Subject to Adoption on June 11, 2026, Board Meeting

NEXT STEPS

- Key milestones on the path to the final 2026-27 State Budget





DISTRICT SUCCESSES

No District Layoffs





Early retirement
incentive supports
120 employees

Ongoing
2.6%
salary increase





One-time
2.5%
off-schedule

A total of 233
certificated
applicants in less
than 48 hours





**WESTMINSTER
SCHOOL DISTRICT**

District & Site CAPE Teams

-
- Systems
 - Schedules
 - Staffing
 - Safety
 - Support for Staff
 - Support for Students

Aspiring Administrators Academy leads to Preliminary Admin Credential



PRELIMINARY ADMINISTRATIVE SERVICES CREDENTIAL

PASC WESTMINSTER
SCHOOL DISTRICT

In partnership with Orange County Department of Education

*Earn your PASC in the
WSD Aspiring Administrators Academy*

PROGRAM INFORMATION

15 month program

Courses taught by Westminster
School District Leaders

6 courses:

- Development and Implementation of a Shared Vision
- Equity Driven Leadership
- Ethics and Integrity
- Instructional Leadership
- Management and the Learning Environment
- External Context and Policy

Hybrid schedule

- Courses held weekly
- Combination of synchronous, asynchronous and in person learning
- In person classes are held on WSD facilities
- No course sessions held in June, July, or August

COST

- Tuition cost: \$7,000
- Application fee : \$0
- Cal APA fees : \$125+\$150+\$150 = \$425

PROGRAM ELIGIBILITY CRITERIA:

- Bachelor's degree
- Valid prerequisite credential as defined by the CTC
- Basic Skills Requirement / CBEST
- 3-5 years of successful experience:
 - Teaching or Student Services
 - K-12 setting

INTERESTED IN LEARNING MORE?

Attend one of our virtual
information sessions!

- August 14, 4:00 pm
- August 22, 4:00 pm

INFO SESSION
QR code



INFO SESSION [ZOOM LINK](#)



Site level
awards and
recognitions
galore!

Facilities Master Plan



A District That Manages Its Resources Well Is a District Worth Choosing



WSD
refinances
bonds to save
taxpayers over
\$2.3 million

Standards based curriculum alignment & assessments -
Student preliminary data showing strong results on SBAC for Language Arts

Focus Area 1: Academic Achievement and Continuous Innovation



WSD INSPIRES!

STRATEGIC PLAN UPDATE



- Continually improve the district wide plan for curriculum alignment to rigorous grade level standards and assessment tools ensuring all learners achieve grade level proficiency
- Collaborate in PLCs to ensure alignment of guaranteed viable curriculum and assessments, analyze results, and adjust instructional practices
- Enhance professional development opportunities



Focus Area 1: Academic Achievement and Continuous Innovation

- Continuous improvement of all PBIS efforts
- Ongoing Assessment of school safety measures
- Enrollment and attendance campaigns improve student connectedness
- Expand family resources and whole child supports
- Nutritious meals opportunities with scratch cooking options



Focus Area 2: Student and Staff Safety and Wellness

- Continue to work transparently to improve district systems resulting in more effective operations
- Develop Marketing Plan based on research to enhance enrollment and encourage business partnerships.
- Long Range Facilities Master plan set to launch new projects to improve 21st Century learning environments
- Promote efficient budget transactions to improve overall budget and financial conditions



Focus Area 3: Fiscal Solvency and Organizational Health

- Promote student, staff and site accomplishments through a multitude of communication channels
- Refine strategic marketing plans to attract and retain families
- Implement meaningful engagement opportunities with families, community and business partners



Focus Area 4: Community Connections

- Continuous improvement of collaborative problem solving methodology with LMI initiative and CAPE teams
- Promote positive negotiations culture and outcomes for all employees
- Support professional learning and high performance expectations



Focus Area 5: Leadership Development and Employee Success



THANK YOU!

QUESTIONS?