



“Exploring Infinite Possibilities for Learning”

2026-27 CSD Budget Update

Board Presentation

June 3, 2026

Agenda



- Introduction
- Where are we in the Budget Cycle
- May Revision
- Assumptions
- Revenues
- Expenditures
- Fund Balance
- Multi-year Projections
- Other (Local) Funds
- Summary

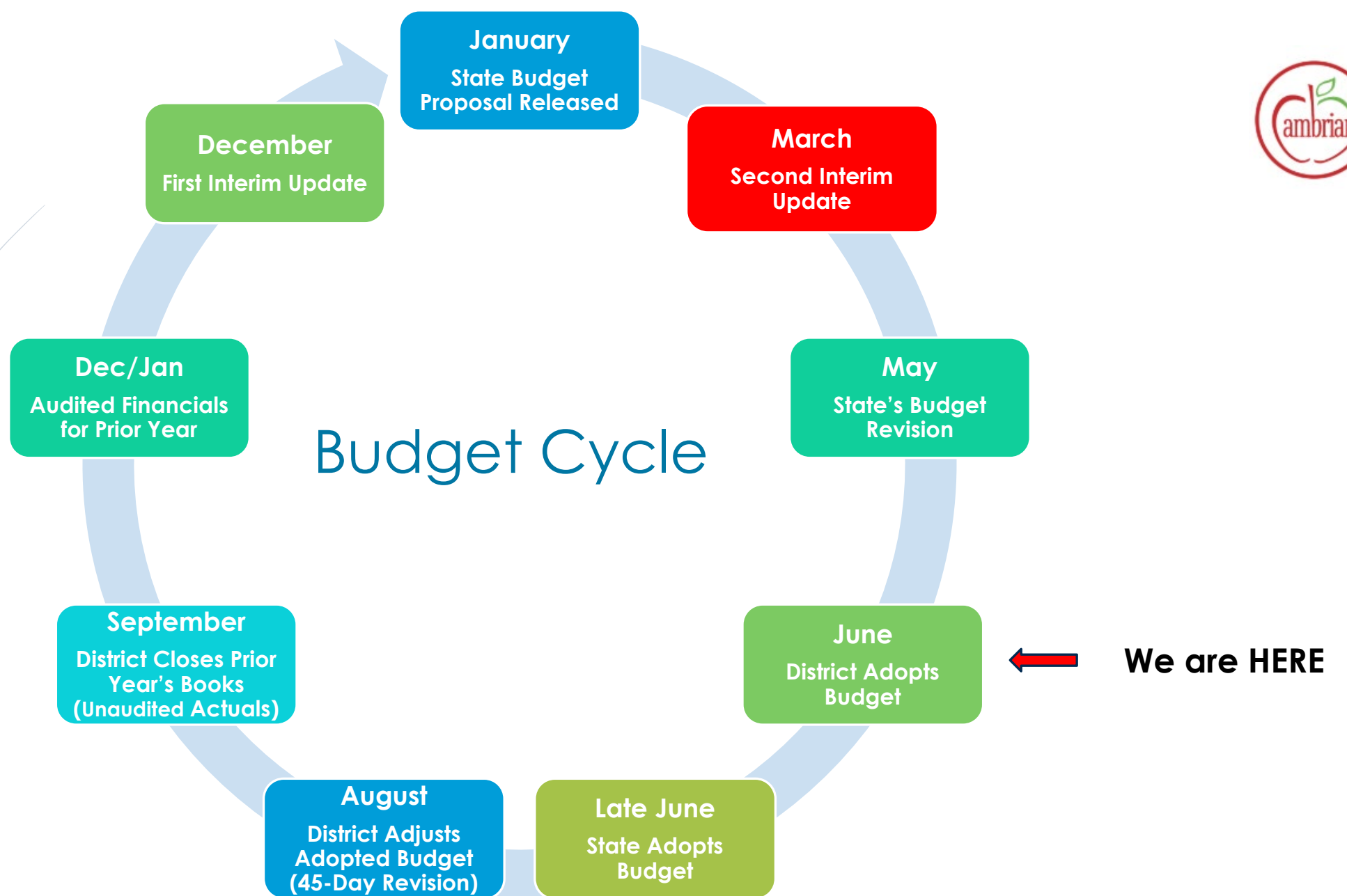
Introduction



- CSD All Funds Budget for 2026-27
- Required by Ed Code that the Governing Board approve by June 30th
- Public Hearing first, after the Local Control and Accountability Plan (LCAP) Public Hearing
- Approval at Subsequent Board Meeting on June 18th
 - After the approval of the LCAP
- Include “All Funds” projected revenues and expenditures based on the financial assumptions – General Fund 01; Cafeteria Fund 13; Building Fund 21; Capital Facilities (Developer Fees) Fund 25; Special Reserve Capital Outlay Fund 40; G.O. Bond Interest and Redemption Fund 51



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May Revision



Proposal	Risk Level	Risk of Including in Your Adopted Budget
2.87% Statutory COLA	Nearly Zero	Statutory COLA is a known number as of April 2026
1.44% Additional LCFF Investment	Nearly Zero	Funding for PPDL requirement and rising costs—while the policy rationale is likely unopposed, the funding is subject to negotiation between the Governor and Legislature
Discretionary Block Grant	Medium	The ultimate funding level, allocation method of per ADA versus weighted on UPP, and level of flexibility are still subject to negotiation between the Governor and Legislature
LREBG	Low	Was not referenced in the May Revision, which means the proposal is unchanged from Governor's Budget
Special Education Base Rate	Low	There is broad support for this increase, but the ultimate funding level is still subject to negotiation between the Governor and Legislature

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Additional LCFF Investment

- COLA is intended to maintain purchasing power and allow LEAs to keep up with increased costs (inflation)
 - Though COLA is usually not sufficient to keep pace with rising costs
- In the past, when revenues have increased more than previously projected, the state has provided augmented COLAs to further assist LEAs
- However, the May Revision is the first time that these additional dollars have come with an added mandate that will increase costs for LEAs—PPDL

2026-27
Statutory COLA

2.87%

Additional LCFF
Investment

1.44%

Total Augmented
COLA

4.31%

2026-27 General Fund Assumptions



- 2026-27 Estimated Enrollment: **3,087** (-52 from P-2 Data)
- Average Daily Attendance (ADA) District Wide **95.75%: 2,956** (-48 from P-2 Data)
- Unduplicated Pupil Percentage/Count: **24.64%**
- 2026-27 LCFF Revenue Statutory COLA 2.87% + Additional 1.44% = **4.31%**
- **\$150K** estimated budget for 14-week paid leave provision
- TK Add-on **\$5,704**
- CalSTRS @ **19.10%** & CalPERS @ **26.40%**
- Certificated and classified salaries based on current estimated staffing
- State and Federal revenues are based on current estimates
- Special Ed **\$999/ADA** (\$1340/ADA has 1M increase impact)
- Discretionary One Time Block Grant is **NOT** included (Estimated 2.8M increase impact)

2026-27 General Fund Assumptions



Proposed Budget Exclusions

STRATEGY FOR FIRST INTERIM RECONCILIATION

Special Education Revenue

EXCLUDED

+\$1.0M Revenue Impact

Represents the proposed rate shift from \$999/ADA to \$1,340/ADA.

One-Time Block Grant

EXCLUDED

\$2.8M Potential

Estimated by School Services of California (SSC). Final allocation metrics pending state verification.



PLANNED UPDATE

Integrate at First Interim Report



Rationale: Items excluded from the Proposed Budget due to state volatility (May Revision).

Final adjustments will reflect verified state trailer bill language.

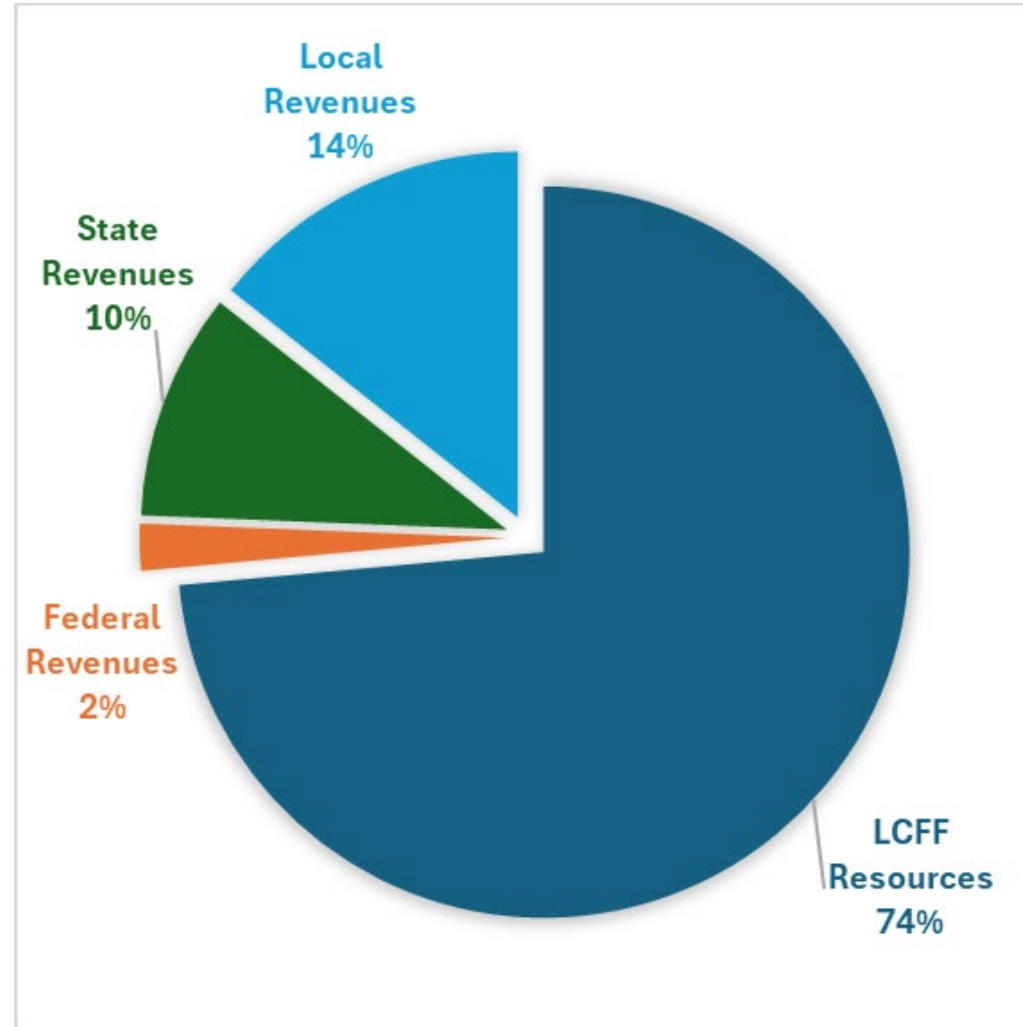
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2026-27 General Fund Revenues



Description	Unrestricted	Restricted	Combined
LCFF Resources	38,075,560	1,339,846	39,415,406
Federal Revenues	-	1,108,259	1,108,259
State Revenues	904,366	4,475,595	5,379,961
Local Revenues	7,342,764	337,651	7,680,415
Total Revenues	46,322,690	7,261,351	53,584,041

2026-27 General Fund Revenues



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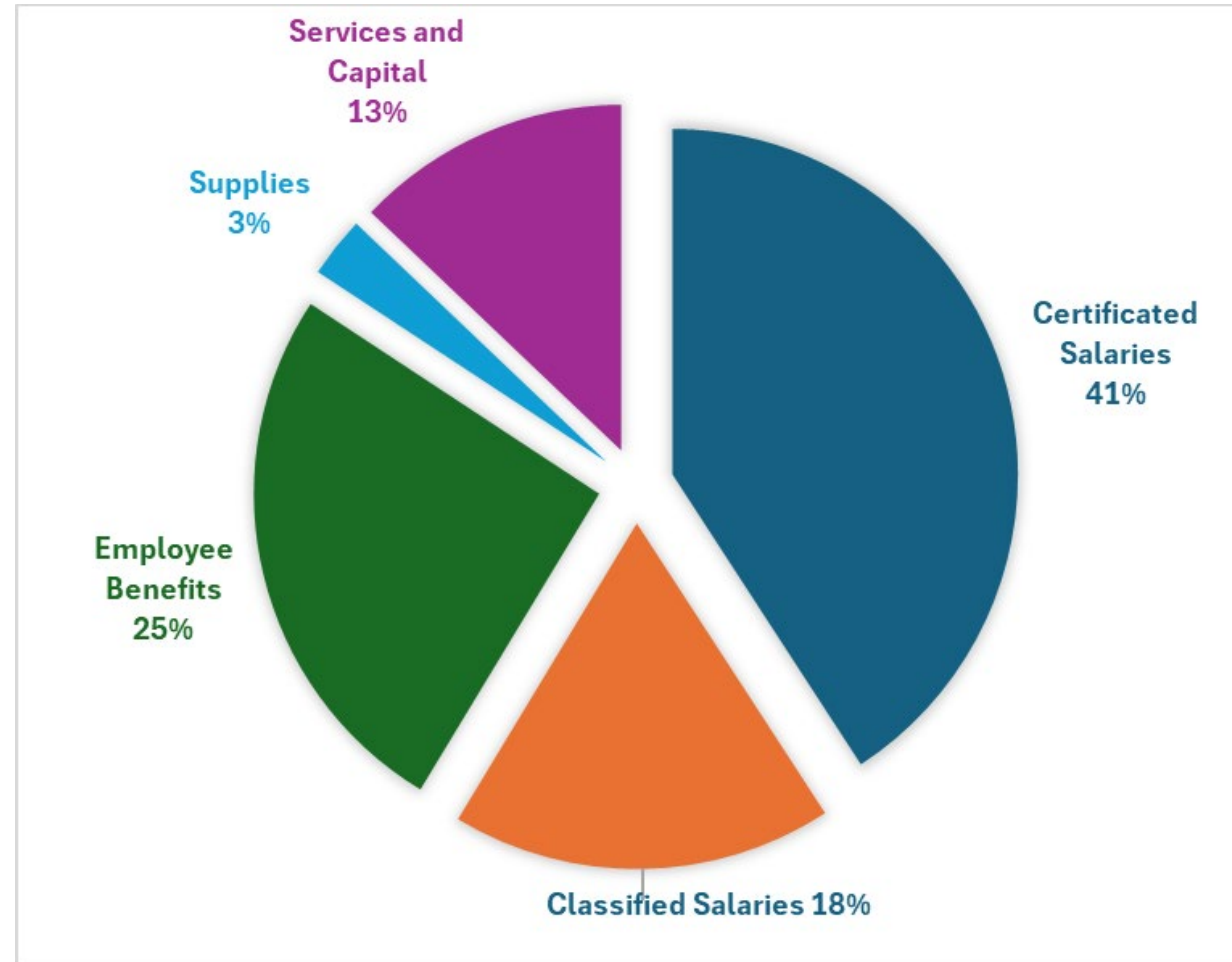
2026-27 General Fund Expenditures



Description	Unrestricted	Restricted	Combined
Certificated Salaries	18,240,299	3,574,662	21,814,961
Classified Salaries	6,236,033	3,297,071	9,533,104
Employee Benefits	8,421,375	5,256,554	13,677,929
Supplies	1,139,800	379,093	1,518,893
Services	2,703,442	4,180,443	6,883,885
Capital Outlay	-	10,000	10,000
Indirect Costs	(129,968)	52,827	(77,141)
Total Expenditures	36,610,981	16,750,650	53,361,631

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2026-27 General Fund Expenditures



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2026-27 Fiscal Reduction Plan



Reduction Summary

FTE Reduction	17.59
Salaries & Benefits	\$2,323,103
Contract Reductions	\$273,198
Total Amount Saved	\$2,596,301

Eliminating Deficit Spending

CATEGORY	25-26 2ND INT.	26-27 BUDGET
Total Revenue	\$53,720,596	\$54,756,891
Total Expenditure	\$55,264,094	\$53,361,631
Net Surplus / (Deficit)	(\$1,543,498)	\$1,395,260

No More Deficit Spending

Strategic reductions have restored structural balance for the 2026-27 fiscal year.



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2026-27 General Fund Balance Unrestricted & Restricted



Description	Unrestricted	Restricted	Combined
Total Revenues	46,322,690	7,261,351	53,584,041
Total Expenditures	36,610,981	16,750,650	53,361,631
Transfer In	1,172,850		1,172,850
Transfer Out			-
Contribution	(9,287,267)	9,287,267	-
Net Increase (Decrease)	1,597,292	(202,032)	1,395,260
Beginning Fund Balance	1,436,382	673,649	2,110,031
Ending Fund Balance	3,033,674	471,617	3,505,291
Minimum 3% Reserve	1,600,849		
Beyond 3%	1,432,825		
5% Reserve (BP 3100)	2,668,082		
Beyond 5%	365,592		

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2026-27 Unrestricted Fund Balance Evolution



1. 2ND INTERIM

COLA 2.41%

\$2,317,488

Above 3% REU: **+\$732,414**
vs. 5% Policy: **-\$324,301**

2. GOVERNOR'S JAN

COLA 2.41%

\$2,606,119

Above 3% REU: **+\$1,011,399**
vs. 5% Policy: **-\$51,747**

3. EARLY MAY

COLA 2.87%

\$2,646,827

Above 3% REU: **+\$1,052,107**
vs. 5% Policy: **-\$11,039**

4. MAY REVISION

Super COLA 4.31%

\$3,033,674

Above 3% REU: **+\$1,432,825**
Above 5% Policy: **+\$365,592**



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Multi-Year Projections (MYP) Assumptions

	2026-27 Budget	2027-28 Projection	2028-29 Projection
LCFF Cost of Living (COLA)	4.31%	3.30%	3.09%
Enrollment/Average Daily Attendance (ADA 95.76%)	3087/2956	3034/2905	2996/2869
CalSTRS/CalPERS/SUI	19.10%/26.40%/0.5%	19.10%/26.90%/0.5%	19.10%/26.10%/0.5%
Federal/State Restricted	Flat	Flat	Flat
Step & Column	Current Staff at Actual	1.80%	1.80%
Lease Revenues	Increased for Metzler B Lease Income	CPI 2.75%	CPI 2.68%

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Multi-Year Projections

General Fund (Restricted & Unrestricted)

Description	2026-27 Budget	2027-28 Projection	2028-29 Projection
Beginning Balance	2,110,031	3,505,291	4,987,558
Revenues	54,756,891	55,821,136	56,837,760
Expenditures	53,361,631	54,338,869	54,917,006
Revenue/Expenditure Balance	1,395,260	1,482,267	1,920,754
Ending Balance - Unrestricted	3,033,674	4,987,558	6,908,312
Ending Balance - Restricted	471,617	-	-
Min. Required Reserve (3%)	1,600,849	1,630,166	1,647,510
Balance Above 3% Reserve	1,432,825	3,357,392	5,260,802
CSD BP 3100 Reserve (5%)	2,668,082	2,716,943	2,745,850
Balance Above 5% Reserve	365,592	2,270,615	4,162,462

Other Funds



Fund	Cafeteria 130	Building 21X*	Developer Fees 250**	Special Reserve 400***
Beginning Balance	846,249	16,797,364	-	5,783,482
Revenues	1,808,066	1,293,964	200,000	75,000
Expenditures	1,934,130	1,293,964	10,000	395,843
Excess (Deficiencies)	(126,064)	-	190,000	(320,843)
Ending Balance	720,185	16,797,364	190,000	5,462,639

* \$16,797,364 Property Exchange Investments

**\$400,000 Due to from fund 250 to fund 400

** Equipment Lease \$2,350,671 + Interest \$556,386 =Total Debt Services \$2,907,057



2026-27 CSD Budget Summary

- Total Projected Reserve for Economic Uncertainties exceeds 5% in each fiscal year
- Positive fund balance in All Funds through 2028-29
- Recommendation for the Board to review the 2026-27 Budget
- This 2026-27 CSD All Funds Budget will be brought to the June 18, 2026 Board Meeting for Board Adoption after the LCAP Adoption

Questions



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