

**Burbank Unified School District
Administrative Services**

REPORT TO THE BOARD

TO: Members of the Board of Education

FROM: Jason Hasty, Assistant Superintendent of Administrative Services

PREPARED BY: Maricela Salinas, Director of Fiscal Services

SUBMITTED BY: Cheretta Wade, Administrative Secretary II

DATE: June 26, 2026

SUBJECT: Report on Excess Reserves

Background:

Per Education Code Section 42127(a)(2)(B), districts that propose to adopt a budget that includes a combined assigned and unassigned ending fund balance in excess of the minimum recommended reserve for economic uncertainties (REU) must provide the following information at the public hearing for their proposed budget prior to budget adoption:

- The minimum reserve for REU level required in each year identified in the budget
- The amount of assigned and unassigned ending fund balance that exceeds the REU in each year
- Reasons for the REU being greater than the minimum

District's required REU level:

The District is required to retain a 3% REU, the Board of Education recognizing their duty to maintain fiscal solvency set Board policy to reserve an additional 3%.

District's Assigned and Unassigned Ending Fund Balances:

	2025-26	2026-27	2027-28
Beginning Balance (R&UR)	\$38,637,600.71	\$37,994,042.12	\$34,157,861.27
Revenue (R&UR)	\$231,861,685	\$231,497,805.26	\$234,941,982.99
Expense (R&UR)	\$230,755,243.59	\$233,583,986.11	\$237,028,545.43
Non-Spendable	\$ -	\$ -	\$ -
Assigned Fund Balance	\$9,046,111.66	\$4,603,314.92	\$28,833.95
Committed	\$ -	\$ -	\$ -
Assigned LCAP Supplemental	\$ -	\$ -	\$ -

Restricted Ending Fund Balance	\$21,927,771.72	\$22,449,526.35	\$23,084,107.88
Reserve (REU) 3%	\$6,975,160.00	\$7,060,020.00	\$7,163,357.00
Board REU up to 3%	\$6,975,160.00	\$7,060,020.00	\$7,163,357.00
Unassigned Fund Balance	\$ -	\$ -	\$ -

District's Reasons for Unassigned Ending Fund Balance in Excess of REU:

It is prudent for the District to carry an amount over the required and Board approved reserved to protect against the volatility of state revenues.

Financial Impact:

None

Recommendations:

Jason Hasty, Assistant Superintendent of Business Services, will report on the Ending Fund Balance in Excess of reserve for economic uncertainties (REU), as presented.