



**SANTA MONICA-  
MALIBU UNIFIED  
SCHOOL DISTRICT**

# **2025-26 Unaudited Actuals**

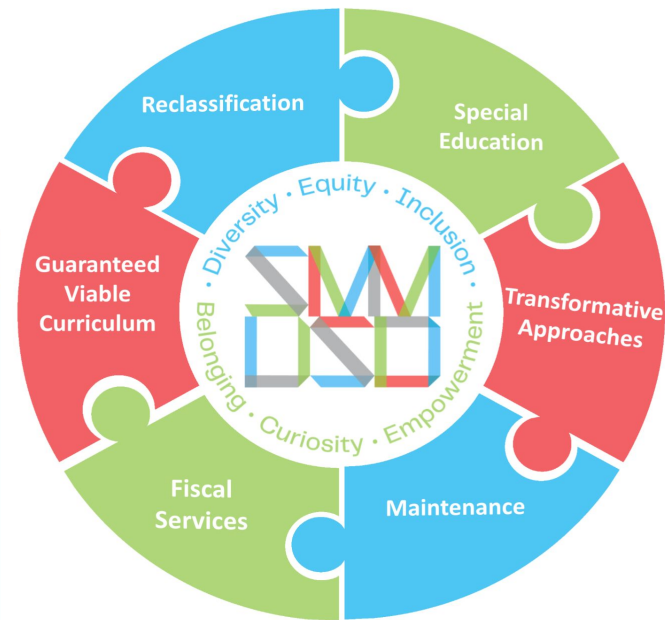
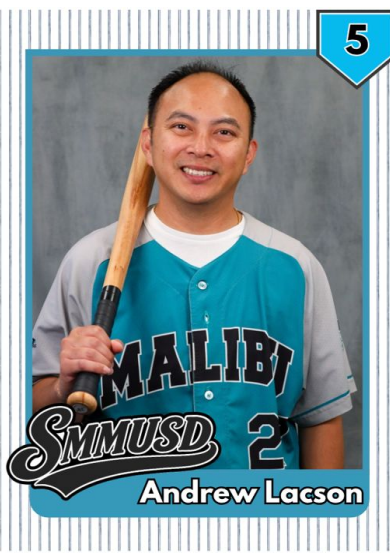
September 9, 2026, Special Board Meeting

Gerardo Cruz

Assistant Superintendent of Business Services & Chief Financial Officer



SANTA MONICA-MALIBU UNIFIED SCHOOL DISTRICT



# Budget Reporting Periods

1. Preliminary Budget – June
2. Public Hearing Budget – June
3. Adopted Budget – June
4. 45-Day Revision (if needed) – August
5. First Interim – December
6. Second Interim – March
7. Third Revision – May
8. Estimated Actuals – June
9. Fourth Revision (if needed) – June
10. Unaudited Actuals – September
11. FOC/Board Liaisons Review Draft Audit – Dec.
12. Board Approves Final Audit Report – Dec.



# What Are Unaudited Actuals?

- District prepared year-end financial statements as of June 30 using State format known as SACS (State Account Code Structure) for all District funds
  - *SACS Report Attachment*
- Report of activities in all District funds, identifying reserves that are carried forward into future years or unspent funds
  - *Attachments 1 & 2*
- Used by external auditors to prepare the official Audit Report
- In June, staff presented 2025-26 Estimated Actuals during the 2026-27 Budget adoption process



# What Has Changed Since June?

- Year-end closing entries are prepared and posted
- District's financial books have been closed
- Unspent allocations have been identified and reserved or assigned to the Fund Balance as appropriate
  - *Attachments 3*
- Unaudited Actuals are compared to Estimated Actuals as presented with the 2026-27 Adopted Budget



# Why Are Projections Different than Expected?

- In general terms, the District uses conservatively estimated revenue and allocated expenditures during budget and interim reporting processes
- Basic Aid School Districts must monitor cash on a more frequent basis
  - District only receives two property tax payments per year
- One-time Block Grant and other Categorical funds were used per the associated plans and allowable expenses, which relieved portions of the Unrestricted General Fund



# What Are Common Reasons for Differences (typical year)?

- Expenditure allocations or budgets were not completely spent
- Other Restricted General Fund sources were used in lieu of Unrestricted General Fund
- Rollover Purchase Orders (PO) were carried into the new year, if applicable (other funds)



## Explanation of Major Differences: Estimated Actuals vs. Unaudited Actuals:

### REVENUE: \$6.1 Million More In Revenue

|                                          |          |                                                                                                                                                                                                                                                                                                   |
|------------------------------------------|----------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Property Tax                             | \$3.1M   | Higher property tax than budgeted due to State Backfill of Property Tax & State Education Budget Committee assigning more revenue due to January 2025 Wildfires                                                                                                                                   |
| Education Protection Account             | \$27K    | Slight increase in state funding received than originally projected in the budget due to stabilizing average daily attendance (ADA)                                                                                                                                                               |
| In Lieu Property Tax Transfer to Charter | \$511K   | Decrease in In-Lieu Property Tax which is an increase to revenue. District residents attending outside charter schools, usually result in an increase; however, New West Charter School is now Authorized by LAUSD and LAUSD pays approximately \$290K of In-Lieu Property Tax instead of SMMUSD. |
| Lease & Rental                           | \$954K   | This reflects new facility rental agreements and higher occupancy rates than originally projected                                                                                                                                                                                                 |
| Lease & Rental GASB 87                   | (\$315K) | This was caused by required accounting adjustments under the new GASB 87 lease standard implementation                                                                                                                                                                                            |
| Measure R                                | \$1.3M   | Better-than-expected parcel tax collection due to property owners who no longer qualify for the Senior Exemption                                                                                                                                                                                  |
| Measure GSH/YY                           | (\$186K) | Slightly less sales taxes generated within the City of Santa Monica compared to forecast                                                                                                                                                                                                          |
| Interest Earned                          | \$1.6M   | Additional interest earned and favorable accounting adjustments for positive interest calculations under GASB 87                                                                                                                                                                                  |
| Local General Fund Contribution          | (\$995K) | Additional contribution to Special Education by \$753K and additional contribution to Routine Restricted Maintenance Account (RRMA) by \$241K                                                                                                                                                     |

## Explanation of Major Differences: Estimated Actuals vs. Unaudited Actuals:

### **EXPENSES: \$3.6 Million Less In Expenses**

|                                               |          |                                                                                                                                                                                                                                                                                                                                                                      |
|-----------------------------------------------|----------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Salaries & Statutory Benefits                 | (\$344K) | Increase in salary and benefits                                                                                                                                                                                                                                                                                                                                      |
| Consultants, Legal, & Other Operating         | \$2.4M   | This was generated by reduced need for external consultants, fewer legal disputes, and less other operating costs (include but is not limited to: Conference/Travel, Maintenance Agreements, Advertising, Membership Dues, Inter-fund transfers, Banking Fees, & Audit Fees)                                                                                         |
| Unused Transfer to Deferred Maintenance       | \$700K   | Occurred because deferred maintenance required less general fund subsidy than budgeted; however, this amount will be utilized in 2026-27                                                                                                                                                                                                                             |
| Costs Savings in Supplies / Books / Textbooks | \$820K   | <ul style="list-style-type: none"><li>• Education Services General Supply Cost &amp; Electronic Devices – \$565K</li><li>• Maintenance &amp; Operations Custodial &amp; General Supply Costs – \$96K</li><li>• Health Services Nursing Supplies &amp; Non-Capital Equipment – \$80K</li><li>• Unspent Site Formula &amp; Stretch Grant Allocations – \$79K</li></ul> |

**SANTA MONICA- MALIBU USD - PROPERTY TAXES COMPARISON**

| FISCAL YEAR | P2 REPORT      |            |             | ANNUAL REPORT  |            |             | FY vs. FY VARIANCE |        |         |
|-------------|----------------|------------|-------------|----------------|------------|-------------|--------------------|--------|---------|
|             | PROPERTY TAXES | RDA FUNDS  | TOTAL       | PROPERTY TAXES | RDA FUNDS  | TOTAL       |                    |        |         |
| 2013-14     | 51,700,678     | 6,958,920  | 58,659,598  | 52,656,493     | 13,157,653 | 65,814,146  | 7,154,548          | 12.20% | 2.11%   |
| 2014-15     | 55,736,580     | 10,582,632 | 66,319,212  | 57,371,774     | 15,200,596 | 72,572,370  | 6,253,158          | 9.43%  | 10.27%  |
| 2015-16     | 60,240,363     | 10,225,493 | 70,465,856  | 62,583,086     | 11,082,687 | 73,665,773  | 3,199,917          | 4.54%  | 1.51%   |
| 2016-17     | 65,588,613     | 6,517,394  | 72,106,007  | 66,181,738     | 14,731,464 | 80,913,202  | 8,807,195          | 12.21% | 9.84%   |
| 2017-18     | 72,407,623     | 7,073,023  | 79,480,646  | 64,963,302     | 18,279,332 | 83,242,634  | 3,761,988          | .73%   | 2.88%   |
| 2018-19     | 71,277,791     | 8,151,060  | 79,378,851  | 70,579,431     | 14,889,013 | 85,468,444  | 6,089,593          | 7.67%  | 2.67%   |
| 2019-20     | 73,835,932     | 17,273,237 | 91,109,169  | 74,659,786     | 16,524,221 | 91,184,007  | 74,838             | 0.10%  | 6.27%   |
| 2020-21     | 80,743,207     | 15,000,000 | 95,743,207  | 78,971,008     | 21,912,180 | 100,883,188 | 5,139,981          | 5.10%  | 9.62%   |
| 2021-22     | 93,763,505     | 15,000,000 | 108,763,505 | 93,913,203     | 19,572,246 | 113,485,449 | 4,721,944          | 4.16%  | 11.10%  |
| 2022-23     | 97,922,388     | 15,000,000 | 112,922,388 | 98,740,236     | 21,799,348 | 120,539,584 | 7,617,196          | 6.32%  | 5.85%   |
| 2023-24     | 91,703,372     | 18,000,000 | 109,703,372 | 92,856,330     | 24,571,397 | 117,427,727 | 7,724,355          | 6.58%  | (2.65%) |
| 2024-25     | 91,163,541     | 22,000,000 | 113,163,541 | 90,701,068     | 23,931,235 | 114,632,303 | 1,468,762          | 1.30%  | (2.44%) |
| 2025-26     | 99,645,640     | 22,500,000 | 122,145,640 | 102,993,634    | 25,694,326 | 128,687,960 | 6,542,320          | 5.10%  | 11.00%  |

# Unrestricted General Fund Balance Historical Differences

*June Estimated vs. August Actuals & Net Increase(Decrease) with Reserve Balance*

| Fiscal Year | Estimated vs.<br>Unaudited Actuals | Net Increase<br>(Decrease) | Ending Fund<br>Balance/Reserve |
|-------------|------------------------------------|----------------------------|--------------------------------|
| 2012-13     | 9,756,047                          | 7,184,608                  | 24,751,270                     |
| 2013-14     | 2,671,242                          | (2,975,908)                | 21,775,362                     |
| 2014-15     | 8,414,916                          | 9,759,555                  | 31,534,919                     |
| 2015-16     | 4,019,832                          | 1,074,929                  | 32,609,848                     |
| 2016-17     | 3,092,853                          | (5,691,926)                | 26,917,922                     |
| 2017-18     | 5,701,386                          | 7,968,107                  | 34,886,030                     |
| 2018-19     | 2,935,860                          | (3,585,531)                | 22,439,368                     |
| 2019-20     | 7,537,933                          | (222,497)                  | 22,216,271                     |
| 2020-21     | 10,371,248                         | 9,361,029                  | 31,577,901                     |
| 2021-22     | 6,872,603                          | 13,078,889                 | 46,776,590                     |
| 2022-23     | 7,230,758                          | (11,894,736)               | 34,881,853                     |
| 2023-24     | 20,430,866                         | 26,281,549                 | 56,609,464                     |
| 2024-25     | 15,692,125                         | 7,252,888                  | 62,550,053                     |
| 2025-26     | 9,848,735                          | 6,078,673                  | 68,628,727                     |



# Observations to Keep in Mind

- Stabilizing enrollment
- Property taxes are extremely high percentage of LCFF funding
- Community Redevelopment Funds are significant percentage of LCFF funding
- Parcel taxes, property transfer tax, special sales tax measures, and donations are significant percentage of total revenue
- Given potential for revenue volatility, expenditures need to be managed strategically
- Continue to use and monitor One-Time Categorical & Block Grant Expenditures from Restricted General Fund





SANTA MONICA-MALIBU UNIFIED SCHOOL DISTRICT

# **REPORTING PERIODS 2025-26**

*Attachment 4*

MULTI-YEAR PROJECTIONS  
UNRESTRICTED GENERAL FUND

Attachment 4

| A                                                      | B                  | C                  | D                  | E                           | F                    | G                    | H                                   | I           | J                  | K                   | L                   |
|--------------------------------------------------------|--------------------|--------------------|--------------------|-----------------------------|----------------------|----------------------|-------------------------------------|-------------|--------------------|---------------------|---------------------|
|                                                        | 2025-26            | 2025-26            | 2025-26            | 2025-26                     | 2025-26              | 2025-26              | 2025-26                             | 2025-26     | 2026-27            | 2027-28             | 2028-29             |
| Description                                            | ADOPTED<br>BUDGET  | FIRST<br>INTERIM   | SECOND<br>INTERIM  | THIRD<br>BUDGET<br>REVISION | ESTIMATED<br>ACTUALS | UNAUDITED<br>ACTUALS | ESTIMATED vs<br>UNAUDITED<br>CHANGE | %<br>CHANGE | ADOPTED<br>BUDGET  | PROJECTED<br>BUDGET | PROJECTED<br>BUDGET |
| <b>Revenue:</b>                                        |                    |                    |                    |                             |                      |                      |                                     |             |                    |                     |                     |
| 1 Property Tax                                         | 121,645,640        | 122,145,640        | 122,145,640        | 122,145,640                 | 125,519,050          | 128,687,960          | 3,168,910                           | 2.5%        | 132,547,894        | 134,929,467         | 140,370,119         |
| 2 Education Protection Account (EPA)                   | 1,700,000          | 1,600,000          | 1,600,000          | 1,600,000                   | 1,600,000            | 1,627,790            | 27,790                              | 1.7%        | 1,600,000          | 1,600,000           | 1,600,000           |
| 3 LCFF Transfer to Fund 14                             | -                  | -                  | -                  | -                           | -                    | -                    | -                                   | 0%          | -                  | -                   | -                   |
| 4 LCFF In Lieu Property Tax Transfer to Charter School | (300,000)          | (300,000)          | (300,000)          | (300,000)                   | (300,000)            | 211,311              | 511,311                             | 242.0%      | (300,000)          | (300,000)           | (300,000)           |
| 5 Prior Year LCFF Adjustment                           | -                  | -                  | -                  | -                           | -                    | -                    | -                                   | 0%          | -                  | -                   | -                   |
| 6 Minimum State Aid                                    | 8,585,843          | 8,585,843          | 8,585,843          | 8,585,843                   | 8,585,843            | 8,585,843            | -                                   | 0.0%        | 8,585,843          | 8,585,843           | 8,585,843           |
| 7 <b>Subtotal LCFF Funding</b>                         | <b>131,631,483</b> | <b>132,031,483</b> | <b>132,031,483</b> | <b>132,031,483</b>          | <b>135,404,893</b>   | <b>139,112,904</b>   | <b>3,708,011</b>                    | <b>2.7%</b> | <b>142,433,737</b> | <b>144,815,310</b>  | <b>150,255,962</b>  |

# Multi-year Projections

## Unrestricted General Fund

|   | A                                                         | B                 | C                | D                 | E                           | F                    | G                    | H                                   | I           | J                 | K                   | L                   |
|---|-----------------------------------------------------------|-------------------|------------------|-------------------|-----------------------------|----------------------|----------------------|-------------------------------------|-------------|-------------------|---------------------|---------------------|
|   |                                                           | 2025-26           | 2025-26          | 2025-26           | 2025-26                     | 2025-26              | 2025-26              | 2025-26                             | 2025-26     | 2026-27           | 2027-28             | 2028-29             |
|   |                                                           | ADOPTED<br>BUDGET | FIRST<br>INTERIM | SECOND<br>INTERIM | THIRD<br>BUDGET<br>REVISION | ESTIMATED<br>ACTUALS | UNAUDITED<br>ACTUALS | ESTIMATED vs<br>UNAUDITED<br>CHANGE | %<br>CHANGE | ADOPTED<br>BUDGET | PROJECTED<br>BUDGET | PROJECTED<br>BUDGET |
| 8 | Other Federal (MAA - Medi-Cal Administrative Activities)  | -                 | -                | -                 | -                           | -                    | -                    | -                                   | 0%          | -                 | -                   | -                   |
| 9 | Lottery - Unrestricted                                    | 1,700,000         | 1,600,000        | 1,600,000         | 1,600,000                   | 1,600,000            | 1,598,006            | (1,994)                             | -0.1%       | 1,600,000         | 1,600,000           | 1,500,000           |
| 0 | Mandated Reimbursement Block Grant                        | 410,000           | 410,000          | 410,000           | 410,000                     | 418,349              | 418,349              | -                                   | 0.0%        | 410,000           | 410,000             | 419,000             |
| 1 | Other State Revenue                                       | 355,000           | 355,000          | 355,000           | 355,000                     | 457,120              | 457,120              | 0                                   | 0.0%        | 355,000           | 355,000             | 355,000             |
| 2 | Measure 'R' - Parcel Tax                                  | 14,301,621        | 14,301,621       | 14,301,621        | 14,301,621                  | 14,626,094           | 15,957,646           | 1,331,552                           | 8.3%        | 14,587,653        | 14,879,406          | 15,176,995          |
| 3 | Measure 'Y' & 'GSH' - City of Santa Monica                | 18,000,000        | 18,000,000       | 18,000,000        | 18,000,000                  | 18,000,000           | 17,813,572           | (186,428)                           | -1.0%       | 18,000,000        | 18,000,000          | 18,000,000          |
| 4 | Measure 'GS' (Effective 3/1/2023) - City of Santa Monica  | 10,000,000        | 10,000,000       | 10,000,000        | 10,000,000                  | 10,000,000           | 10,000,000           | -                                   | 0.0%        | 10,000,000        | 10,000,000          | 10,000,000          |
| 5 | Joint Use Agreement - City of Santa Monica                | 11,529,263        | 11,529,263       | 11,529,263        | 11,529,263                  | 11,682,986           | 11,682,986           | -                                   | 0.0%        | 11,759,848        | 11,995,045          | 12,234,946          |
| 6 | Joint Use Agreement - City of Malibu                      | 299,378           | 299,378          | 299,378           | 299,378                     | 364,213              | 364,213              | -                                   | 0.0%        | 299,378           | 299,379             | 299,378             |
| 7 | Santa Monica Ed Foundation Donation                       | 1,800,000         | 1,875,000        | 1,875,000         | 1,925,000                   | 1,925,000            | 1,930,616            | 5,616                               | 0.3%        | 1,800,000         | 2,000,000           | 2,000,000           |
| 8 | Malibu Education Foundation                               | 592,508           | 675,377          | 677,465           | 677,465                     | 677,465              | 506,307              | (171,158)                           | -33.8%      | 592,508           | 592,508             | 592,508             |
| 9 | Lease & Rental                                            | 2,750,000         | 2,750,000        | 2,750,000         | 2,750,000                   | 2,750,000            | 3,704,263            | 954,263                             | 25.8%       | 2,050,000         | 2,200,000           | 2,200,000           |
| 0 | Interest Earned                                           | 1,250,000         | 1,250,000        | 1,250,000         | 1,250,000                   | 1,756,960            | 3,417,035            | 1,660,075                           | 48.6%       | 2,000,000         | 1,500,000           | 1,500,000           |
| 1 | All Other Local Income (including Medi-Cal as of 2023-24) | 1,209,000         | 1,209,000        | 1,209,000         | 1,209,000                   | 1,183,143            | 1,048,054            | (135,089)                           | -12.9%      | 1,220,999         | 1,072,255           | 1,072,255           |
| 2 | Local General Fund Contributions                          | (44,636,667)      | (43,737,355)     | (42,956,201)      | (43,078,352)                | (43,078,352)         | (44,073,503)         | (995,151)                           | 2.3%        | (45,412,600)      | (46,320,852)        | (47,247,269)        |
| 3 | TOTAL REVENUE                                             | 151,191,585       | 152,548,766      | 153,332,008       | 153,259,857                 | 157,767,871          | 163,937,569          | 6,169,698                           | 3.8%        | 161,696,523       | 163,398,051         | 168,358,775         |

|                                                             | A | B                  | C                  | D                  | E                     | F                  | G                  | H                             | I            | J                  | K                  | L                  |
|-------------------------------------------------------------|---|--------------------|--------------------|--------------------|-----------------------|--------------------|--------------------|-------------------------------|--------------|--------------------|--------------------|--------------------|
|                                                             |   | 2025-26            | 2025-26            | 2025-26            | 2025-26               | 2025-26            | 2025-26            | 2025-26                       | 2025-26      | 2026-27            | 2027-28            | 2028-29            |
| Description                                                 |   | ADOPTED BUDGET     | FIRST INTERIM      | SECOND INTERIM     | THIRD BUDGET REVISION | ESTIMATED ACTUALS  | UNAUDITED ACTUALS  | ESTIMATED vs UNAUDITED CHANGE | % CHANGE     | ADOPTED BUDGET     | PROJECTED BUDGET   | PROJECTED BUDGET   |
| 24 <b>Expenditure:</b>                                      |   |                    |                    |                    |                       |                    |                    |                               |              |                    |                    |                    |
| 25 Certificated Salary                                      |   | 63,168,211         | 63,749,536         | 63,877,748         | 62,262,707            | 62,064,684         | 62,259,404         | 194,720                       | 0.3%         | 66,620,700         | 68,972,411         | 71,407,137         |
| 26 Classified                                               |   | 27,095,364         | 26,928,751         | 26,772,287         | 26,238,677            | 26,178,305         | 26,212,201         | 33,896                        | 0.1%         | 27,424,091         | 28,392,161         | 29,394,405         |
| 27 Benefits                                                 |   | 38,213,703         | 38,680,244         | 38,053,658         | 36,525,951            | 36,407,023         | 36,523,088         | 116,065                       | 0.3%         | 44,870,904         | 47,223,816         | 49,253,809         |
| 28 STRS                                                     |   | 11,987,033         | 12,012,517         | 12,065,253         | 11,414,433            | 11,522,802         | 11,537,887         | 15,085                        | 0.1%         | 12,668,392         | 13,173,730         | 13,638,763         |
| 29 PERS                                                     |   | 7,006,964          | 7,024,991          | 6,799,373          | 6,690,854             | 6,445,885          | 6,347,386          | (98,499)                      | -1.6%        | 7,122,070          | 7,609,099          | 7,613,151          |
| 30 SOCIAL SECURITY & MEDICARE                               |   | 3,096,466          | 2,994,610          | 3,019,554          | 2,914,375             | 2,914,573          | 2,957,479          | 42,906                        | 1.5%         | 3,151,399          | 3,172,100          | 3,284,075          |
| 31 HEALTH AND WELFARE                                       |   | 11,265,726         | 11,931,044         | 11,408,291         | 10,932,347            | 10,928,667         | 10,585,132         | (343,535)                     | -3.2%        | 16,968,650         | 18,156,456         | 19,427,407         |
| 32 SUI                                                      |   | 46,365             | 45,023             | 45,407             | 44,191                | 44,108             | 46,591             | 2,483                         | 5.3%         | 47,395             | 48,682             | 50,401             |
| 33 WORKERS COMP                                             |   | 3,625,465          | 3,522,762          | 3,557,832          | 3,395,703             | 3,417,678          | 4,006,326          | 588,648                       | 14.7%        | 3,713,332          | 3,816,691          | 3,951,420          |
| 34 OPEB                                                     |   | 1,157,461          | 1,118,724          | 1,127,600          | 1,102,084             | 1,100,262          | 995,742            | (104,520)                     | -10.5%       | 1,169,666          | 1,217,057          | 1,260,019          |
| 35 CASH IN-LIEU                                             |   | 28,223             | 30,573             | 30,348             | 31,964                | 33,048             | 46,545             | 13,497                        | 29.0%        | 30,000             | 30,000             | 28,571             |
| 36 Supplies/Books/Textbooks                                 |   | 4,589,592          | 4,797,442          | 5,048,199          | 5,815,042             | 6,698,620          | 5,878,243          | (820,377)                     | -14.0%       | 5,721,904          | 4,000,000          | 4,000,000          |
| 37 Other Operational Costs                                  |   | 24,454,409         | 24,985,036         | 25,655,467         | 24,916,741            | 26,301,293         | 23,822,262         | (2,479,031)                   | -10.4%       | 24,939,717         | 21,945,137         | 22,066,595         |
| 38 504 PLAN ACCOMODATION (STUDENT SERVICES)                 |   | 200                | 200                | 200                | 200                   | 200                | 195                | (5)                           | -2.6%        | 50,000             | 50,000             | 50,000             |
| 39 TRAVEL & CONFERENCE                                      |   | 699,268            | 685,471            | 640,940            | 511,112               | 540,544            | 504,642            | (35,902)                      | -7.1%        | 559,061            | 500,000            | 500,000            |
| 40 DUES & MEMBERSHIPS                                       |   | 81,719             | 141,484            | 146,016            | 139,588               | 134,812            | 126,629            | (8,183)                       | -6.5%        | 118,870            | 120,000            | 120,000            |
| 41 INSURANCE                                                |   | 3,257,221          | 3,257,221          | 3,315,895          | 3,316,568             | 3,316,568          | 3,316,008          | (560)                         | 0.0%         | 2,701,538          | 2,429,169          | 2,550,627          |
| 42 UTILITIES                                                |   | 4,602,779          | 4,602,779          | 4,602,779          | 4,421,321             | 4,333,273          | 4,503,802          | 170,529                       | 3.8%         | 4,717,779          | 4,717,779          | 4,717,779          |
| 43 RENTALS, LEASES, REPAIRS                                 |   | 3,064,724          | 3,279,133          | 3,556,968          | 3,974,062             | 4,816,188          | 3,433,150          | (1,383,038)                   | -40.3%       | 3,212,517          | 3,212,517          | 3,212,517          |
| 44 INTRA-FUND TRANSFERS FOR SERVICES (91.037)               |   | (93,881)           | (149,429)          | (97,574)           | (101,531)             | (110,120)          | (8,589)            | (5,442)                       | 7.8%         | (65,000)           | (65,000)           | (65,000)           |
| 45 INTER-FUND TRANSFERS FOR SERVICES (113.660)              |   | (133,363)          | (133,363)          | (135,078)          | (135,078)             | (232,809)          | (97,731)           | (97,731)                      | 42.0%        | 28,343             | (175,000)          | (175,000)          |
| 46 CONSULTANTS & OTHER OPERATING                            |   | 12,663,785         | 12,953,582         | 13,383,051         | 12,499,765            | 13,115,288         | 12,040,692         | (1,074,596)                   | -8.9%        | 13,235,511         | 10,882,672         | 10,882,672         |
| 47 Other Operational Costs                                  |   | 5,322,068          | 5,790,362          | 6,044,246          | 5,228,982             | 5,922,218          | 5,464,020          | (458,198)                     | -8.4%        | 5,413,765          | 4,000,000          | 4,000,000          |
| 48 Consultants                                              |   | 3,537,717          | 3,369,220          | 3,394,805          | 3,639,280             | 3,622,032          | 2,858,977          | (763,055)                     | -26.7%       | 3,363,074          | 3,000,000          | 3,000,000          |
| 49 Legal                                                    |   | 2,204,000          | 2,194,000          | 2,344,000          | 2,031,503             | 1,971,038          | 1,928,077          | (42,961)                      | -2.2%        | 2,576,000          | 2,000,000          | 2,000,000          |
| 50 Cost of Early Retirement Incentive (SERP)                |   | 1,600,000          | 1,600,000          | 1,600,000          | 1,600,000             | 1,789,618          | 189,618            | 189,618                       | 10.6%        | 1,882,672          | 1,882,672          | 1,882,672          |
| 51 COMMUNICATIONS (LAND & MOBILE)                           |   | 289,410            | 292,410            | 292,410            | 286,777               | 281,029            | 240,073            | (40,956)                      | -17.1%       | 361,540            | 273,000            | 273,000            |
| 52 Capital Outlay                                           |   | 71,000             | 283,990            | 493,213            | 421,912               | 456,370            | 447,666            | (8,704)                       | -1.9%        | 1,494,510          | 200,000            | 200,000            |
| 53 Transfer to County Specialized Schools & Debt Service    |   | 120,000            | 120,000            | 120,000            | 120,000               | 120,000            | 92,749             | (27,251)                      | -29.4%       | 120,000            | 120,000            | 120,000            |
| 54 Indirect Costs from Restricted General Fund Categoricals |   | (110,738)          | (63,521)           | (64,820)           | (84,970)              | (63,362)           | (51,716)           | 11,646                        | -22.5%       | (1,153,926)        | (2,005,458)        | (2,005,458)        |
| 55 Interfund Transfer Out to Fund 12 Child Development      |   | 375,000            | 375,000            | 375,000            | 375,000               | 375,000            | 375,000            | -                             | 0.0%         | 375,000            | 375,000            | 375,000            |
| 56 LCAP Transfer Out to Fund 12 Child Development           |   | 100,000            | 100,000            | 100,000            | 100,000               | 100,000            | 100,000            | -                             | 0.0%         | 100,000            | 100,000            | 100,000            |
| 57 Interfund Transfer Out to Fund 13 Food Services          |   | 750,000            | 750,000            | 750,000            | 750,000               | 200,000            | 200,000            | -                             | 0.0%         | 750,000            | 750,000            | 750,000            |
| 58 Interfund Transfer Out to Fund 14 Deferred Maint.        |   | 2,000,000          | 2,700,000          | 2,700,000          | 2,700,000             | 2,700,000          | 2,000,000          | (700,000)                     | -35.0%       | 2,500,000          | 2,500,000          | 2,500,000          |
| 59 <b>TOTAL EXPENDITURE</b>                                 |   | <b>160,826,541</b> | <b>163,406,478</b> | <b>163,880,752</b> | <b>160,141,060</b>    | <b>161,537,933</b> | <b>157,858,896</b> | <b>(3,679,037)</b>            | <b>-2.3%</b> | <b>173,762,900</b> | <b>172,573,067</b> | <b>178,161,487</b> |

# Multi-year Projections

## Unrestricted General Fund

|                                                                    | A | B                 | C                | D                 | E                           | F                    | G                    | H                                   | I           | J                 | K                   | L                   |
|--------------------------------------------------------------------|---|-------------------|------------------|-------------------|-----------------------------|----------------------|----------------------|-------------------------------------|-------------|-------------------|---------------------|---------------------|
|                                                                    |   | 2025-26           | 2025-26          | 2025-26           | 2025-26                     | 2025-26              | 2025-26              | 2025-26                             | 2025-26     | 2026-27           | 2027-28             | 2028-29             |
| Description                                                        |   | ADOPTED<br>BUDGET | FIRST<br>INTERIM | SECOND<br>INTERIM | THIRD<br>BUDGET<br>REVISION | ESTIMATED<br>ACTUALS | UNAUDITED<br>ACTUALS | ESTIMATED vs<br>UNAUDITED<br>CHANGE | %<br>CHANGE | ADOPTED<br>BUDGET | PROJECTED<br>BUDGET | PROJECTED<br>BUDGET |
| 60 Increase (Decrease) Fund Balance                                |   | (9,634,956)       | (10,857,712)     | (10,548,744)      | (6,881,203)                 | (3,770,062)          | 6,078,673            | 9,848,735                           |             | (12,066,377)      | (9,175,016)         | (9,802,713)         |
| 61 Beginning Fund Balance                                          |   | 46,857,928        | 62,550,054       | 62,550,054        | 62,550,054                  | 62,550,054           | 62,550,054           | -                                   | 0.0%        | 68,628,727        | 56,562,350          | 47,387,335          |
| 62 Ending Fund Balance (net of lines 60-61)                        |   | 37,222,972        | 51,692,342       | 52,001,310        | 55,668,851                  | 58,779,992           | 68,628,727           | 9,848,735                           | 14.4%       | 56,562,350        | 47,387,335          | 37,584,622          |
| 63 Reserve - Revolving Cash, Prep-paids                            |   | 20,025            | 20,025           | 20,025            | 20,025                      | 20,025               | 20,023               | (2)                                 | 0.0%        | 20,025            | 20,005              | 20,005              |
| 64 Reserve - Deficit Spending in 26-27                             |   | 3,907,740         | 6,366,739        | 9,560,238         | 9,560,238                   | 12,066,377           | 12,066,377           | -                                   | 0.0%        | -                 | -                   | -                   |
| 65 Reserve - Deficit Spending in 27-28                             |   | 3,481,414         | 7,330,023        | 10,614,769        | 10,614,769                  | 9,175,016            | 9,175,016            | -                                   | 0.0%        | 9,175,016         | -                   | -                   |
| 66 Reserve - Deficit Spending in 28-29                             |   | -                 | -                | -                 | -                           | -                    | 9,802,713            | 9,802,713                           | 100.0%      | 9,802,713         | 9,802,713           | -                   |
| 67 3% Contingency Reserve (unrestricted & restricted general fund) |   | 6,930,535         | 7,273,748        | 7,284,120         | 7,284,120                   | 7,284,120            | 7,284,120            | -                                   | 0.0%        | 7,248,284         | 7,143,489           | 7,363,122           |
| 68 Reserve Up to 2-months of Expenses (\$35.7 million)             |   | 22,883,258        | 30,701,807       | 24,522,158        | 28,189,700                  | 30,234,455           | 30,280,479           | 46,024                              | 0.2%        | 30,316,313        | 30,421,127          | 30,201,495          |
| 69 Unappropriated Balance                                          |   | 0                 | 0                | 0                 | 0                           | 0                    | 0                    |                                     |             | 0                 | 0                   | 0                   |

## Components of Ending Fund Balances

2025-26

|                                                                   |                     |
|-------------------------------------------------------------------|---------------------|
| <b>Fund 01: Unrestricted General Fund</b>                         |                     |
| Unrestricted General Fund Beginning Balance                       | \$62,550,054        |
| Current Year (Deficit)/Surplus Spending                           | \$6,078,673         |
| <b>Ending Fund Balance that Requires Explanation</b>              | <b>\$68,628,727</b> |
| <b>Reasons for Assigned and Unassigned Ending Fund Balances</b>   |                     |
| <b>*State Recommended 17% Minimum Level for Unified Districts</b> |                     |
|                                                                   | \$68,628,727        |
| Less: 3% Reserve for Economic Uncertainties                       | (\$7,284,120)       |
| Reserve for Revolving Cash & Prepaid                              | (\$20,023)          |
| Reserve for 26-27 Deficit Spending                                | (\$12,066,377)      |
| Reserve for 27-28 Deficit Spending                                | (\$9,175,016)       |
| Reserve for 28-29 Deficit Spending                                | (\$9,802,713)       |
| ^Reserve for up to 2 months General Fund Expenditures             | \$30,280,478        |
| <b>Unappropriated Balance</b>                                     | <b>\$0</b>          |

\*current reserve is at 29.71% (up 6.52% from 23.19% @ 25-26 Third Revision)

\*2024-25 Statewide Average Reserve for Unified State-Aid Districts is 21.89%

\*Basic Aid Districts should be 33%

^A 2-month reserve would be approximately \$35.7M

|                |                                       |
|----------------|---------------------------------------|
| 2026-27        | 19.33% Adopted Budget                 |
| 2026-27        | 19.48% Proposed Public Hearing Budget |
| 2026-27        | 18.99% Preliminary Adopted Budget     |
| <b>2025-26</b> | <b>29.71% Unaudited Actuals</b>       |
| 2025-26        | 23.19% Third Interim Budget           |
| 2025-26        | 21.41% Second Interim Budget          |
| 2025-26        | 21.31% First Interim Budget           |
| 2025-26        | 17.61% Adopted Budget                 |
| 2024-25        | 28.70%                                |
| 2023-24        | 29.04%                                |
| 2022-23        | 16.43%                                |
| 2021-22        | 26.31%                                |
| 2020-21        | 18.36%                                |
| 2019-20        | 13.53%                                |
| 2018-19        | 13.59%                                |
| 2017-18        | 21.44%                                |
| 2016-17        | 16.92%                                |
| 2015-16        | 22.39%                                |
| 2014-15        | 23.66%                                |
| 2013-14        | 17.56%                                |
| 2012-13        | 20.95%                                |
| 2011-12        | 14.47%                                |
| 2010-11        | 17.33%                                |
| 2009-10        | 14.50%                                |
| 2008-09        | 19.13%                                |

Min = 13.53%  
Max = 29.71%  
Avg = 19.81%

# Reserve History



# What's Next for 2025-26?

- CWDL audits 2025-26 Unaudited Actuals week of September 28, 2026
- FOC receives draft Audit Report November/December 2026
- Final Audit Report recommendation from FOC for Board approval December 2026



| 2026-27 LOCAL CONTROL FUNDING FORMULA (LCFF) CALCULATION                      |            |            |            |            | 7/1/2026            |
|-------------------------------------------------------------------------------|------------|------------|------------|------------|---------------------|
| <b>BASE GRANT:</b>                                                            |            |            |            |            |                     |
|                                                                               | TK-3       | 4-6        | 7-8        | 9-12       | <b>TOTAL</b>        |
|                                                                               | 2,224.74   | 1,808.12   | 1,288.35   | 2,821.00   | 8,142.21            |
| 2025-26 BASE                                                                  | 10,256     | 10,411     | 10,719     | 12,423     |                     |
| 2026-27 2.87% COLA                                                            | 294        | 299        | 933        | 357        |                     |
| 2026-27 1.44% ADDTL COLA                                                      | 148        | 150        | 154        | 179        |                     |
| 2026-27 BASE                                                                  | 10,698     | 10,860     | 11,806     | 12,959     |                     |
|                                                                               | 23,799,393 | 19,635,800 | 15,210,092 | 36,556,696 | <b>95,201,981</b>   |
| <b>AUGMENTATION GRANTS:</b>                                                   |            |            |            |            |                     |
| CLASS SIZE REDUCTION (CSR) AUGMENTATION: BASE GRANT X 10.4%                   |            |            |            |            | <b>2,475,137</b>    |
| CAREER TECHNICAL EDUCATION (CTE) AUGMENTATION 9-12 BASE GRANT X 2.6%          |            |            |            |            | <b>950,474</b>      |
| <b>SUPPLEMENTAL AND CONCENTRATION GRANTS:</b>                                 |            |            |            |            |                     |
| TOTAL ENROLLMENT (3-YEAR AVERAGE)                                             |            |            |            |            | 8,605               |
| TOTAL UNDUPLICATED PUPIL COUNT (3-YEAR AVERAGE)                               |            |            |            |            | 2,695               |
|                                                                               |            |            |            |            | 31.32%              |
| <b>SUPPLEMENT ADD-ON 20% OF BASE GRANT X % OF ELIGIBLE ENROLLMENT</b>         |            |            |            |            | <b>6,177,310</b>    |
| <b>TRANSPORTATION, TIIG GRANT, &amp; ADD-ON:</b>                              |            |            |            |            |                     |
| 2012-13 LCFF IMPLEMENTATION & ADD-ON FOR TRANSPORTATION                       |            |            |            |            | <b>478,069</b>      |
| 2012-13 TARGETED INSTRUCTIONAL IMPROVEMENT BLOCK GRANT                        |            |            |            |            | <b>429,757</b>      |
| TRANSITIONAL KINDERGARTEN ADD-ON                                              |            |            |            |            | <b>1,722,665</b>    |
| <b>TOTAL 2026-27 LCFF ENTITLEMENT</b>                                         |            |            |            |            | <b>107,435,393</b>  |
| <b>MINIMUM STATE AID / 2012-13 CATEGORICAL PROGRAMS</b>                       |            |            |            |            | <b>8,585,843</b>    |
| <b>TOTAL 2026-27 LCFF ENTITLEMENT</b>                                         |            |            |            |            | <b>107,435,393</b>  |
| <b>LOCAL REVENUE / PROPERTY TAXES</b>                                         |            |            |            |            | <b>142,433,737</b>  |
| <b>Amount of Property Tax Over LCFF Entitlement (Basic Aid when negative)</b> |            |            |            |            | <b>(34,998,344)</b> |

Note Outside of Calculation:

|                              |           |
|------------------------------|-----------|
| EDUCATION PROTECTION ACCOUNT | 1,600,000 |
| TRANSFER TO CHARTER SCHOOL   | -300,000  |

# 2026-27

## Local Control Funding Formula (LCFF)

## Calculation



# What's Next for 2026-27?

## First Interim Recommendations -- **REVENUE**

- Property Tax Specific to RDA (Redevelopment Agency Funds)
- EPA (Education Protection Account)
- Charter In-Lieu Tax
- Lottery (Unrestricted)
- Mandated Cost Block Grant
- Other State Revenue for Transportation Reimbursement Block Grant
- Measure YY & GSH
- Joint Use Agreements
- Education Foundations (Santa Monica and Malibu)
- Earned Interest



# What's Next for 2026-27?

## First Interim Recommendations -- EXPENDITURES

- Potential Salary & Benefit changes due to upcoming negotiations
- Legal
- Other Operational Costs
- Transfer to County Specialized Schools
- Fund 14 Deferred Maintenance
- Middle School Sports Program





**SANTA MONICA-  
MALIBU UNIFIED  
SCHOOL DISTRICT**

# 2025-26 Unaudited Actuals

