SAN MATEO COUNTY OFFICE OF EDUCATION
Excellence and Equity in Education
Marco A. Chávez • County Superintendent of Schools

September 15, 2026

David A. Koss
President, Governing Board
Belmont-Redwood Shores Elementary School District
1075 Old County Road, Suite D
Belmont, CA, 94002-2943

RE: 2026-27 Adopted Budget

Dear Board President Koss:

The San Mateo County Office of Education (SMCOE) has completed its review of Belmont-Redwood Shores Elementary School District's Local Control and Accountability Plan (LCAP) and Adopted Budget for the 2026-27 fiscal year pursuant to Education Codes *42127* and *52070*.

A. LOCAL CONTROL ACCOUNTABILITY PLAN (LCAP)

The County Superintendent is required to approve the District's LCAP if it is determined that the following criteria have been met:

- The LCAP adheres to the template adopted by the State Board of Education (EC 52064)
- The budget includes expenditures sufficient to implement the specific actions and strategies included in the LCAP
- The LCAP adheres to the expenditure requirements for funds apportioned on the basis of the number and concentration of unduplicated pupils (EC *42238.02* and *42238.03*)
- The LCAP includes the required calculations to determine whether there is a carryover requirement, and if applicable, includes a description of the planned uses of the specific funds and a description of how the planned uses are to be considered as contributing towards meeting the increased or improved services requirement {(*EC 52070(d)(4)*}

The San Mateo County Superintendent of Schools has approved your Local Control Accountability Plan for the 2026-27 school year, pursuant to Education Code (EC) Section *52070.5(d)*. California Education Code requires the County Superintendent to review and approve the LCAP prior to the approval of the LEA's adopted budget per EC Section *42127(2)*. Your board approved LCAP will be posted on the SMCOE website.

B. ADOPTED BUDGET

In accordance with Education Code Section 42127, the County Superintendent of Schools has examined the Adopted Budget of Belmont-Redwood Shores Elementary (the District) for fiscal year 2026-27 to determine if it complies with the criteria and standards adopted by the State Board of Education, allows the District to meet its financial obligations during the fiscal year, and is consistent with a financial plan that will allow the District to meet its multi-year financial commitments.

The County Office's review and analysis confirms that the 2026-27 Budget, adopted by the Governing Board on June 18, 2026, meets the requirements outlined in Education Code 42127(c).

The San Mateo County Office of Education **approves** Belmont-Redwood Shores Elementary School District's 2026-27 Adopted Budget with the following comments:

The 2026–27 Adopted Budget projects a $5.7 million net decrease in General Fund balance. Compared to 2025–26 Estimated Actuals, projected deficit spending has decreased by approximately $500,000.

Total revenues increased by $835,000 primarily due to a $1.7 million increase in projected property tax revenue. State and local revenues declined by $922,000 due to removal of one-time funds.

Total expenditures increased by $489,000. Salary and benefit costs increased by $550,000, reflecting a 2.5% negotiated salary increase and higher pension and health benefit costs. Classified salaries increased by $650,000 and partially offset by a $480,000 reduction in certificated administrative salaries. Books and supplies decreased $386,000 as one-time state funds were removed. Services and other operating expenditures increased by $155,000 due to higher insurance premiums and contracted services.

RESERVES

The state-recommended minimum reserve for Belmont-Redwood Shores Elementary School District is 3.00% of total General Fund expenditures and Transfers Out. The District is projecting approximately $4.9 million in available reserves or 6.92% of the total General Fund expenditures for 2026-27.

As of 2026–27, the District has $5.4 million committed under Resolution 2021-22 #24 for pension obligations. The commitment declines to $3.9 million in 2027–28 and $2.8 million in 2028–29 as amounts are released to maintain the Board's 6% minimum reserve requirement.

MULTI-YEAR PROJECTIONS (MYP)

Reserves are expected to remain flat at 6.00% in 2027-28 and 6.08% in 2028-29.

Total revenues are projected to increase $869,000 in 2027–28 and $2.1 million in 2028–29, driven primarily by estimated 4% annual property tax growth. The 2027–28 budget removes $650,000 in one-time state grant funding, reduces federal revenues for declining enrollment, and projects a $253,000 decrease in local revenues.

Total expenditures decrease $536,000 in 2027–28 and increase $1.6 million in 2028–29. The budget includes a 2.5% Cost of Living Adjustment (COLA) to salaries and 2% step-and-column increases in both years. Other salary adjustments reflect staffing reductions to align with declining enrollment. In 2027–28, books and supplies decrease $487,000 with the elimination of one-time state-funded expenditures. Contracted services decrease $1.8 million in 2027–28 and $753,000 in 2028–29 as the District reduces its reliance on Special Education contract services.

DEFICIT SPENDING

The multi-year projections show an operating deficit of $4.4 million in the Unrestricted General Fund for 2026-27 followed by a deficit of $2.2 million in 2027-28 and a deficit of $951,000 in 2028-29.

CASH FLOW

The District submitted cash flow projections for the General Fund showing positive cash balances for each month in the current and subsequent fiscal year.

The projected year-end cash balances are approximately $17.3 million in 2026-27 and $11.8 million in 2027-28.

OTHER FUNDS

The District maintains positive fund balances across all other funds.

There are no other significant changes in other District funds from the 2025-26 Estimated Actuals to the 2026-27 Adopted Budget report.

SALARY NEGOTIATIONS

The District has finalized salary negotiations, resulting in a 2.5% increase for Classified and Certificated bargaining units for the 2026-27 school year, which is included in the Adopted Budget.

We commend the work done by the Board and district staff to develop this year's LCAP and Budget. Please contact us if you have any questions about our review of your district's 2026-27 LCAP or Budget.

Sincerely,

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Enclosures

c: Craig Goldman, Interim Superintendent, Belmont-Redwood Shores Elementary School District
Reece Matsumoto, Chief Business Official, Belmont-Redwood Shores Elementary School District
Dhanya Unni, Executive Director, District Business Services, SMCOE
Joy Dardenelle, Executive Director, District Improvement and Support, SMCOE