FCMAT

FISCAL CRISIS & MANAGEMENT ASSISTANCE TEAM

Fiscal Update

October 30, 2026

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Convergence

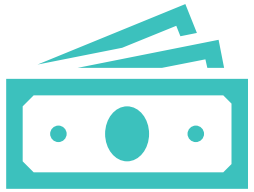
This is a time for Local Control to show its strength and resilience

We are seeing the impact of years of declining enrollment and staffing shifts

After emerging from a period of historic one-time funding



Revenue Trends



Expenditure Trends

Enrollment Trends: Long Term and Short Term

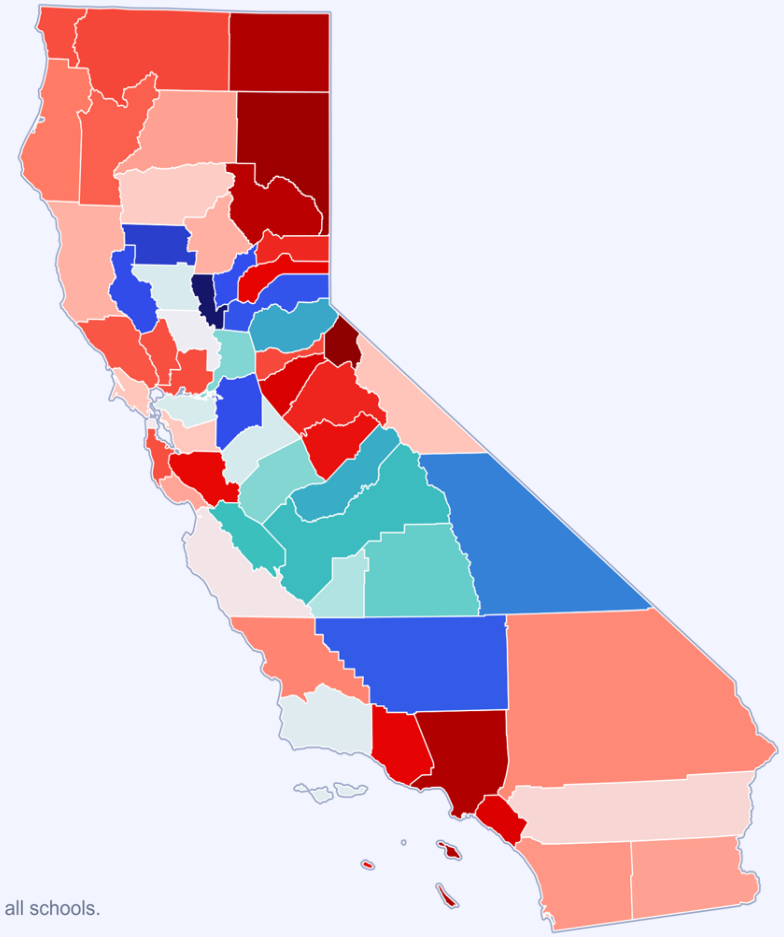
California K–12 Census Day Enrollment Change

2009-10 to 2025-26 · by county

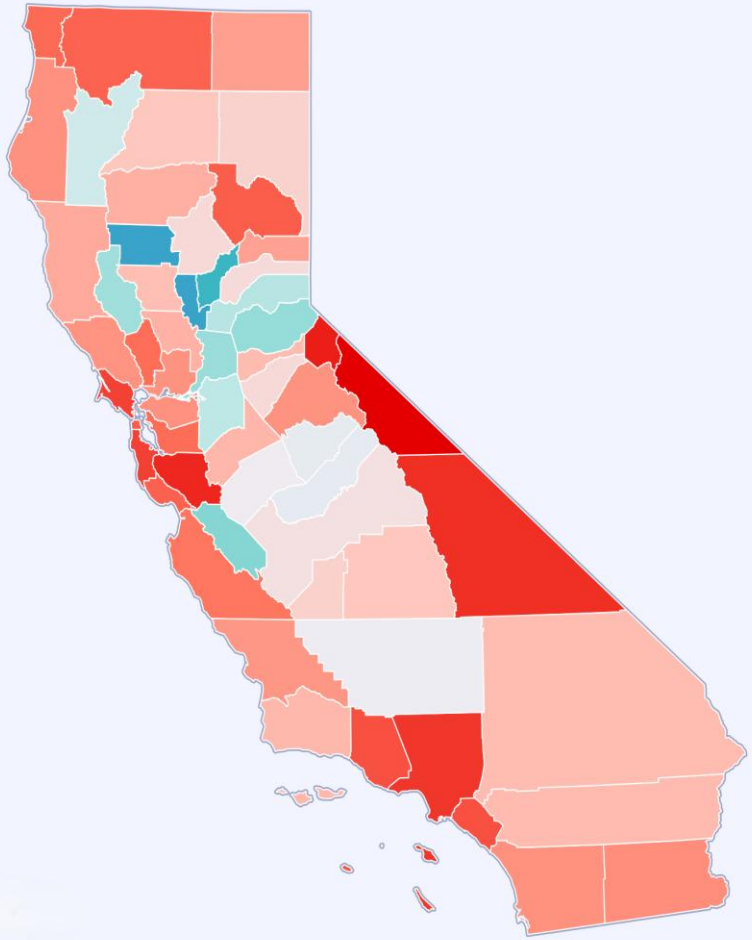
CHANGE IN ENROLLMENT

−20% −10% 0% +10% +20%

Decline Growth



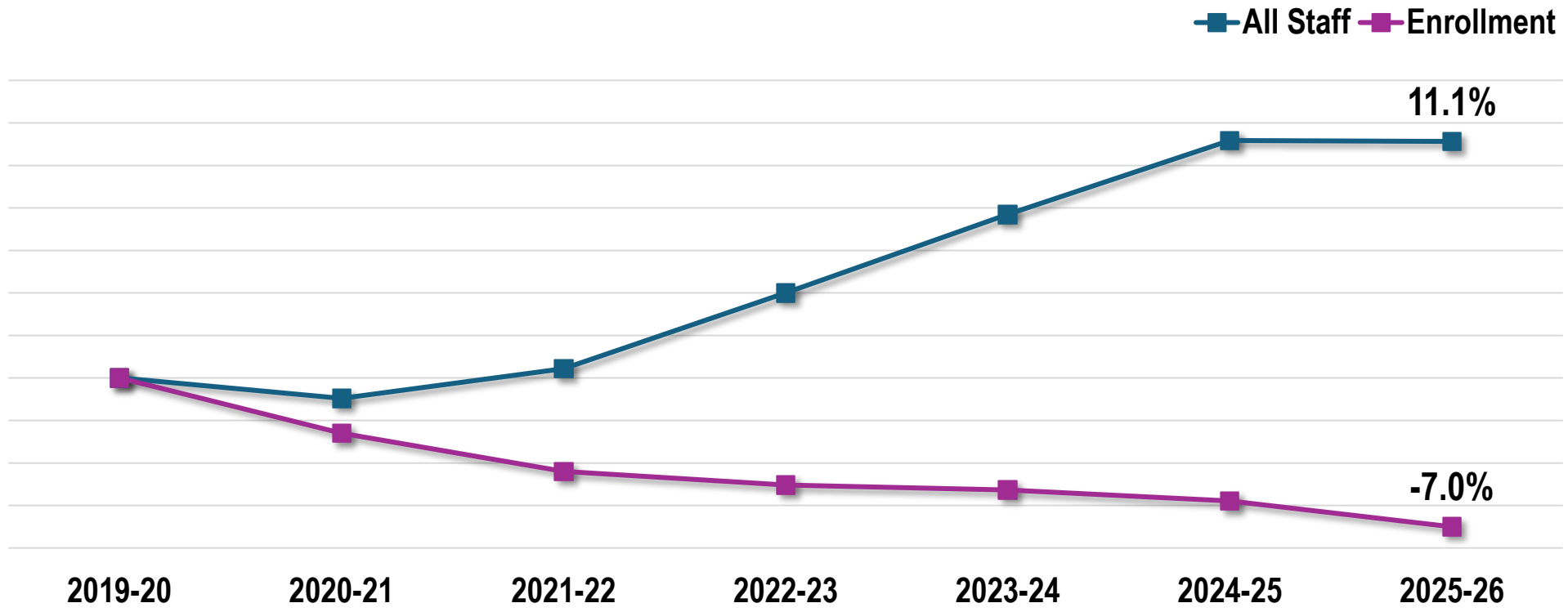
Source: California Department of Education census day enrollment, county totals, all schools.
Shading is capped at ±25%; both maps use the same scale.



2019-20 to 2025-26—by county

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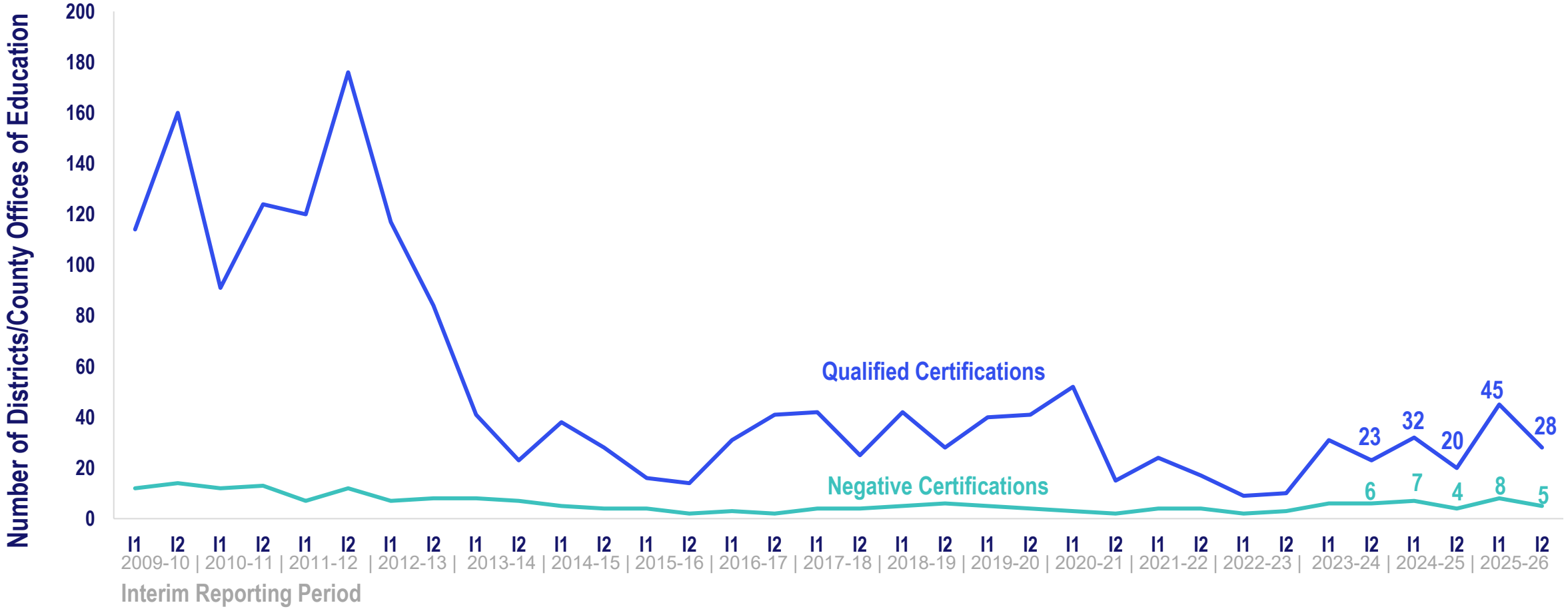
California Schools's "New Alligator Chart"



Source: California Department of Education via Ed-Data.org; statewide totals; staff = total FTE

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Statewide Historical Qualified and Negative Certifications



Sources: 2009-10 through 2025-26 first and Second Interim reports

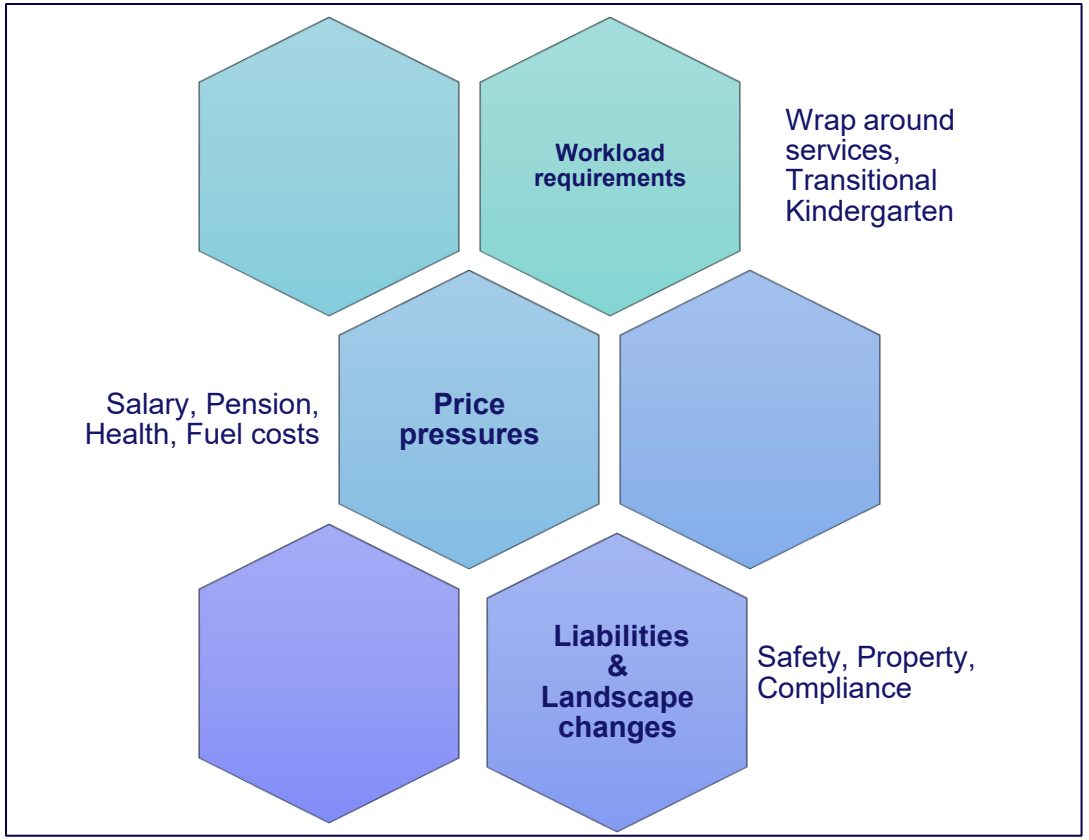
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Dissonance

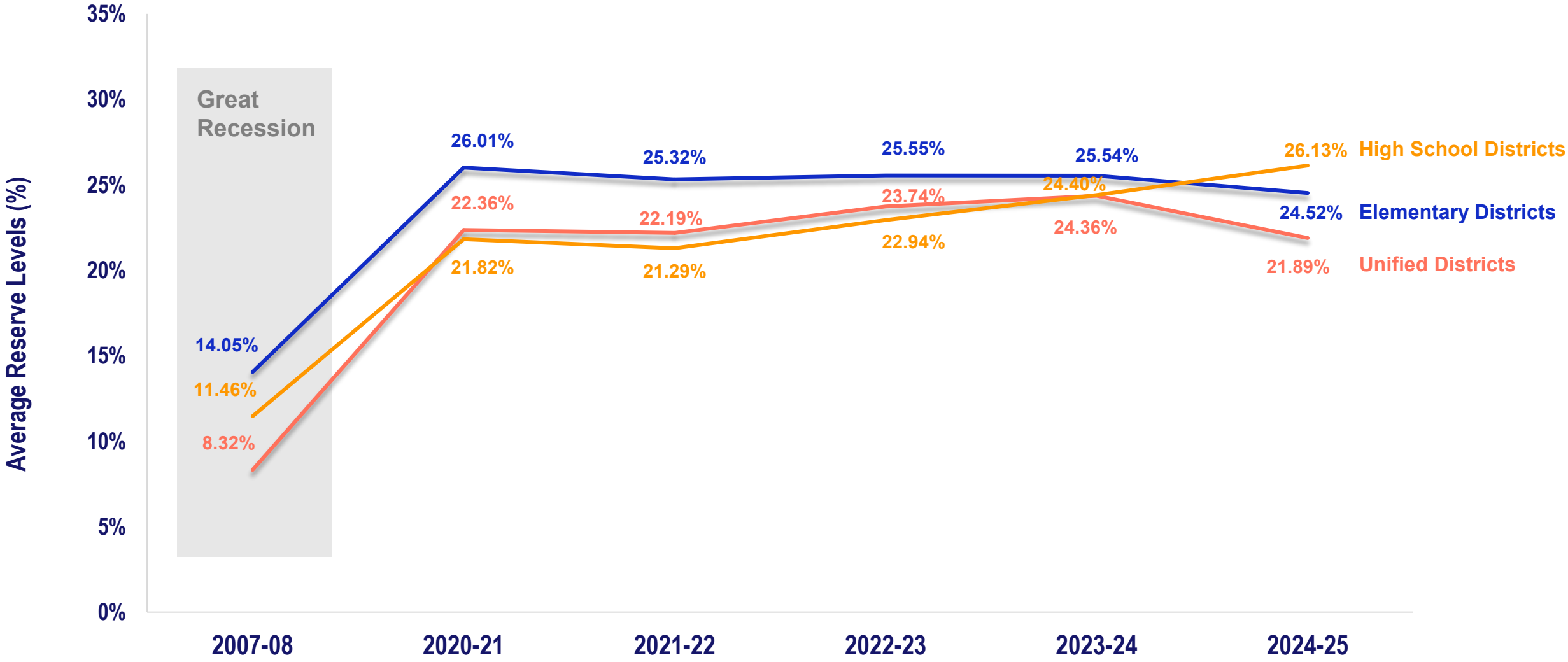
5,700,000 student enrollment 2025-26

California is **17th** nationally in per pupil spending, above the nationwide average in spending. (Public Policy Institute of California, October 2026)

Proposition 98 provides a protection in California for education funding



Statewide Local Reserve Trends



Sources: Unaudited Actuals for 2007-08 and 2020-21 through 2024-25

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The thing about 1x funds…

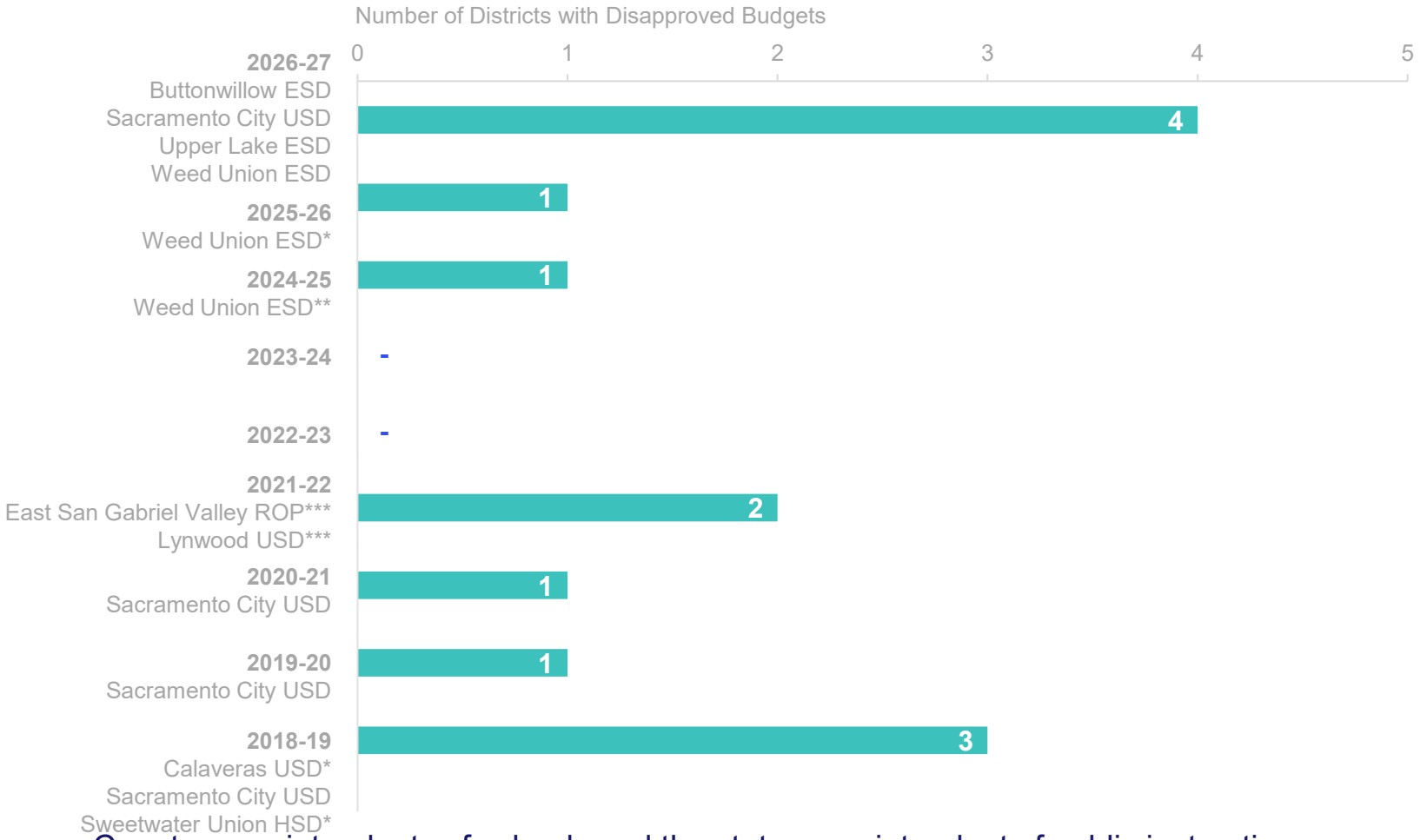
Since 2020-21 to 2025-26 state funding increased by 24.2%, on par with inflation

Federal funds provided 5-6% of total funding since the pandemic with approximately $31 billion in one time funding assistance

But at the same time we experienced ongoing workload and cost increases, added Transitional Kindergarten and areas experienced cost inflation beyond cola.

Disapproved Budgets

There are four disapproved budgets for the 2026-27 fiscal year.



Note: Data as of September 22, 2026.

*No Budget Review Committee, State Superintendent disapproved budget.

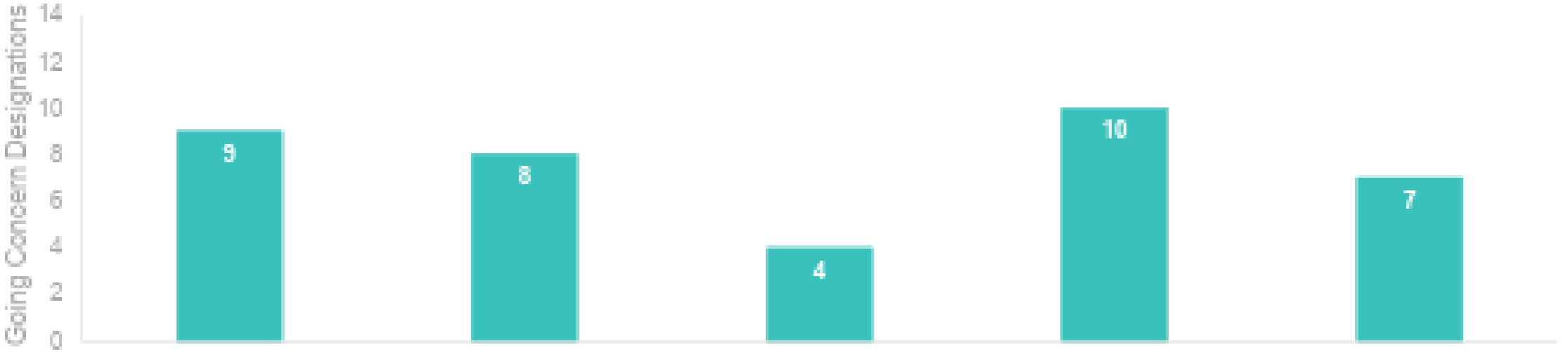
**Budget Review Committee sustained county office disapproval, state superintendent disapproved budget.

***Preliminarily disapproved; ultimately approved by the November 8 deadline.

Sources: County superintendents of schools and the state superintendent of public instruction.

Lack of Going Concern Designations

This designation may be given for a variety of reasons per Education Code 42127.6.



2022-23
- Auburn Union ESD – Feb. 7
- Cabrillo Unified – June 28
- Calaveras USD – June 5
- Ducor Union ESD – Apr. 17
- Happy Camp Union ESD – Sep. 15
- Lakeside Union SD – Apr. 25
- Stockton USD – Oct. 20
- Weed Union ESD – Nov. 8
- West Contra Costa USD – Sep. 23, Feb. 7

2023-24
- Calaveras USD – Nov. 6
- Cuyama Joint USD – Jun 26
- Duarte USD – Apr. 24
- Oak Run Union ESD – Dec. 13
- San Francisco COE – Sept. 15
- San Francisco USD – Sept. 15
- Stockton USD – Sept 15
- West Contra Costa USD – Sept. 26

2024-25
- Coachella USD – Nov. 26
- Franklin-McKinley ESD – Feb 20
- Weed Union ESD – Jan. 14
- Yreka Union ESD – Sept. 9

2025-26
- Burbank USD – Jan. 7
- Lassen Union HSD – Aug. 5
- Loleta Union ESD – Jun 11
- Oakland USD – Apr. 16
- Pacifica SD – Feb. 26
- Plumas USD – Sept. 15
- Sacramento City USD – Oct. 10
- San Francisco USD – Mar 5
- Santa Rosa ESD – Sept. 15
- Santa Rosa HSD – Sept. 15

2026-27
- Burbank USD – Jul. 22
- Loleta Union ESD – Aug. 25
- Los Angeles USD – Jul 2
- Oakland USD – Apr. 16*
- Pacifica SD – Feb. 26*
- Sacramento City USD – Oct. 10*
- Upper Lake USD – Sept. 18

Sources: County superintendents and the SPI.
*Conditionally approved or disapproved budget in 2026-27, extending the preexisting lack of going concern designation from 2025-26 into 2026-27.

We are a people organization

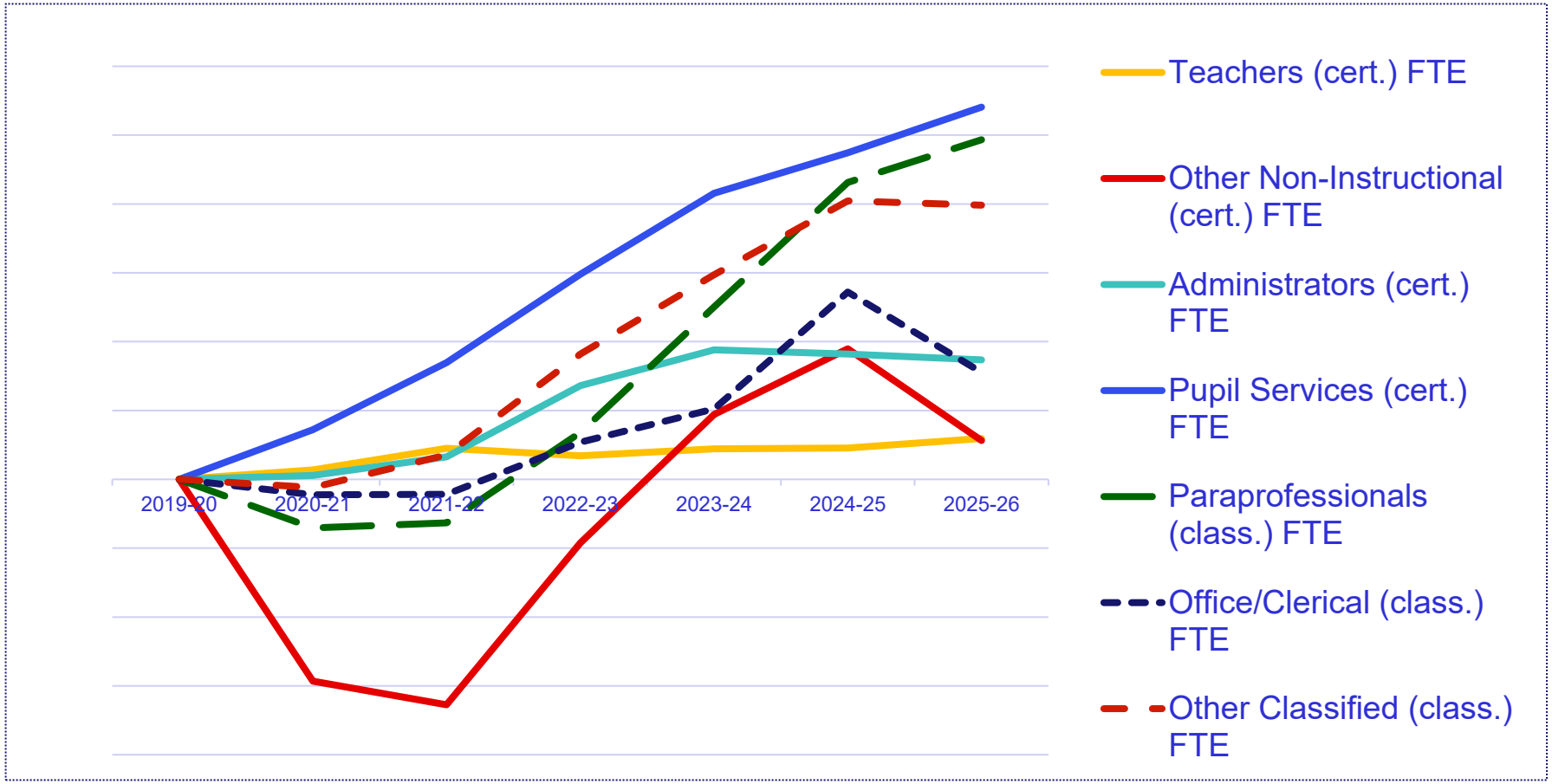
Statewide 77% of a Schools budget is spent on the salaries and benefits of people who serve students.

Statewide
380,000 certificated 319,000 classified 5,700,000 student enrollment



2024-25 Unaudited Actuals: (General Fund + County School Service Fund). Source: Ed-Data.org
2025-26 CDE CALPADS staff data & CDE census day enrollment, rounded. Source: Ed-Data.org

Statewide Staffing Trends from 2019-20



It's important to note where the staffing patterns have changed

Source: California Department of Education via Ed-Data.org; statewide totals; staff = total FTE

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Local control is not a policy preference here in California;

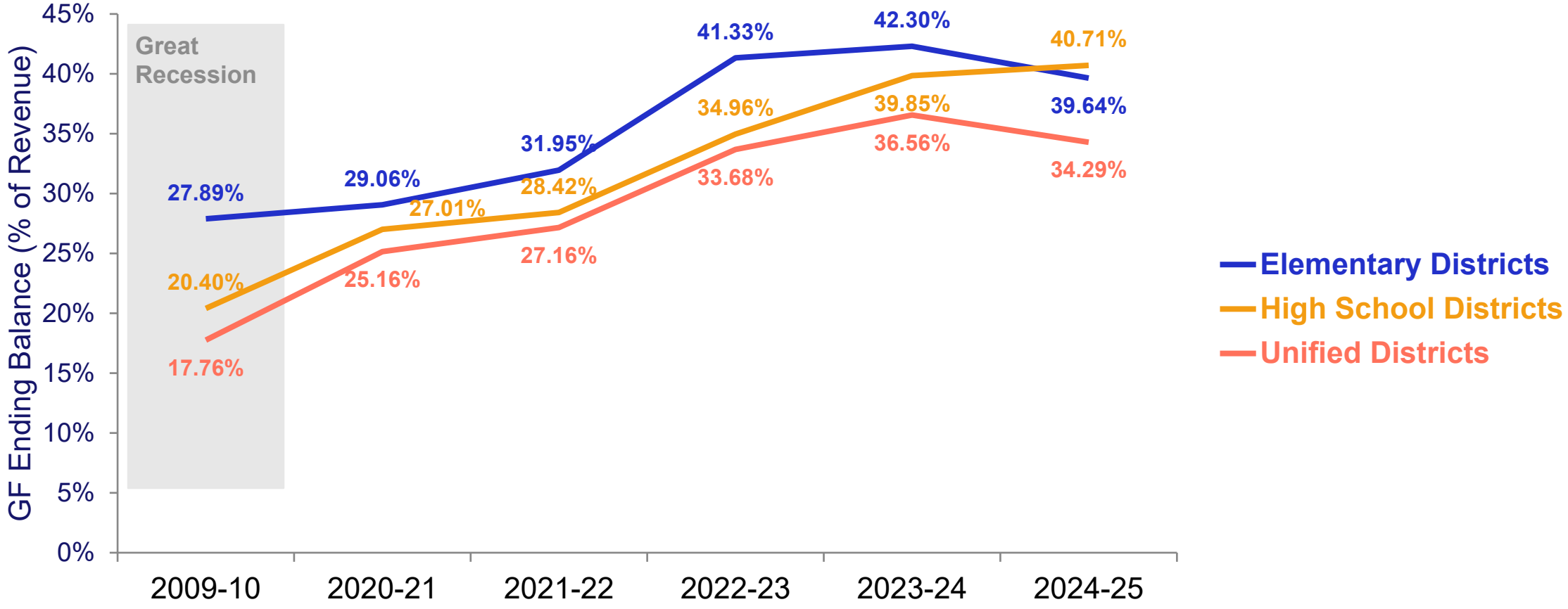
it is part of the assumptive world in which the entire system operates,

baked in from the beginning and reinforced ever since.

Michael Kirst, former president of the California State Board of Education

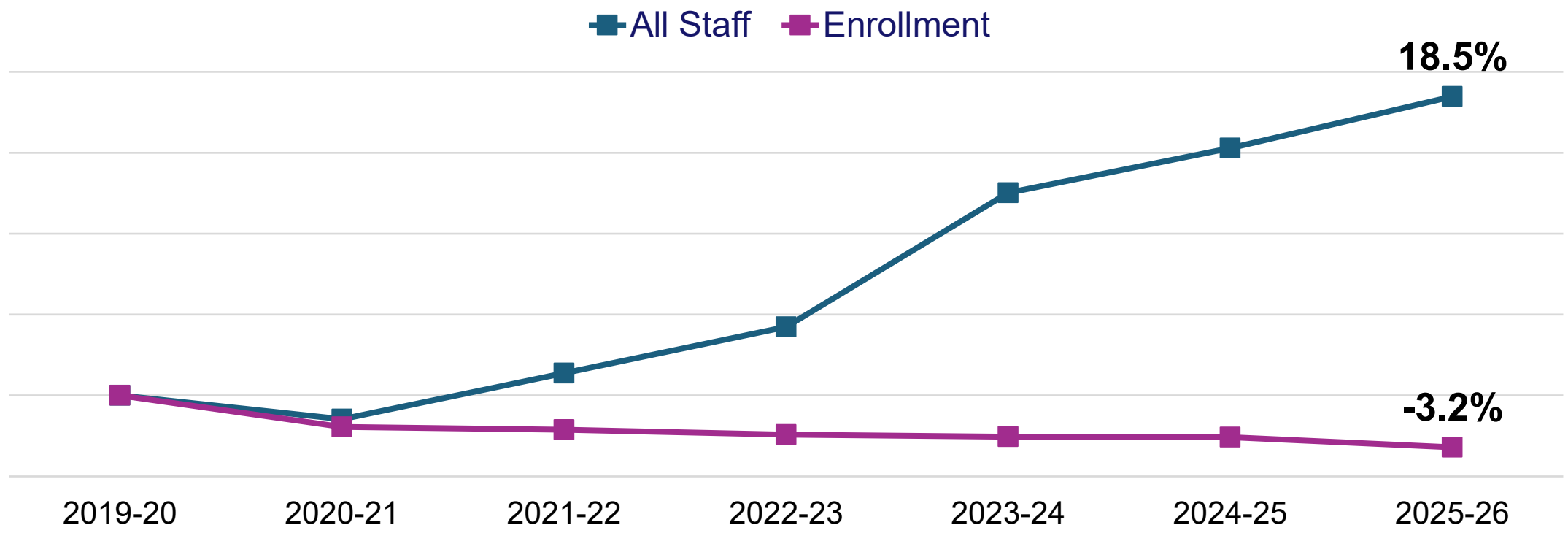
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San Bernardino County Local Reserve Trends



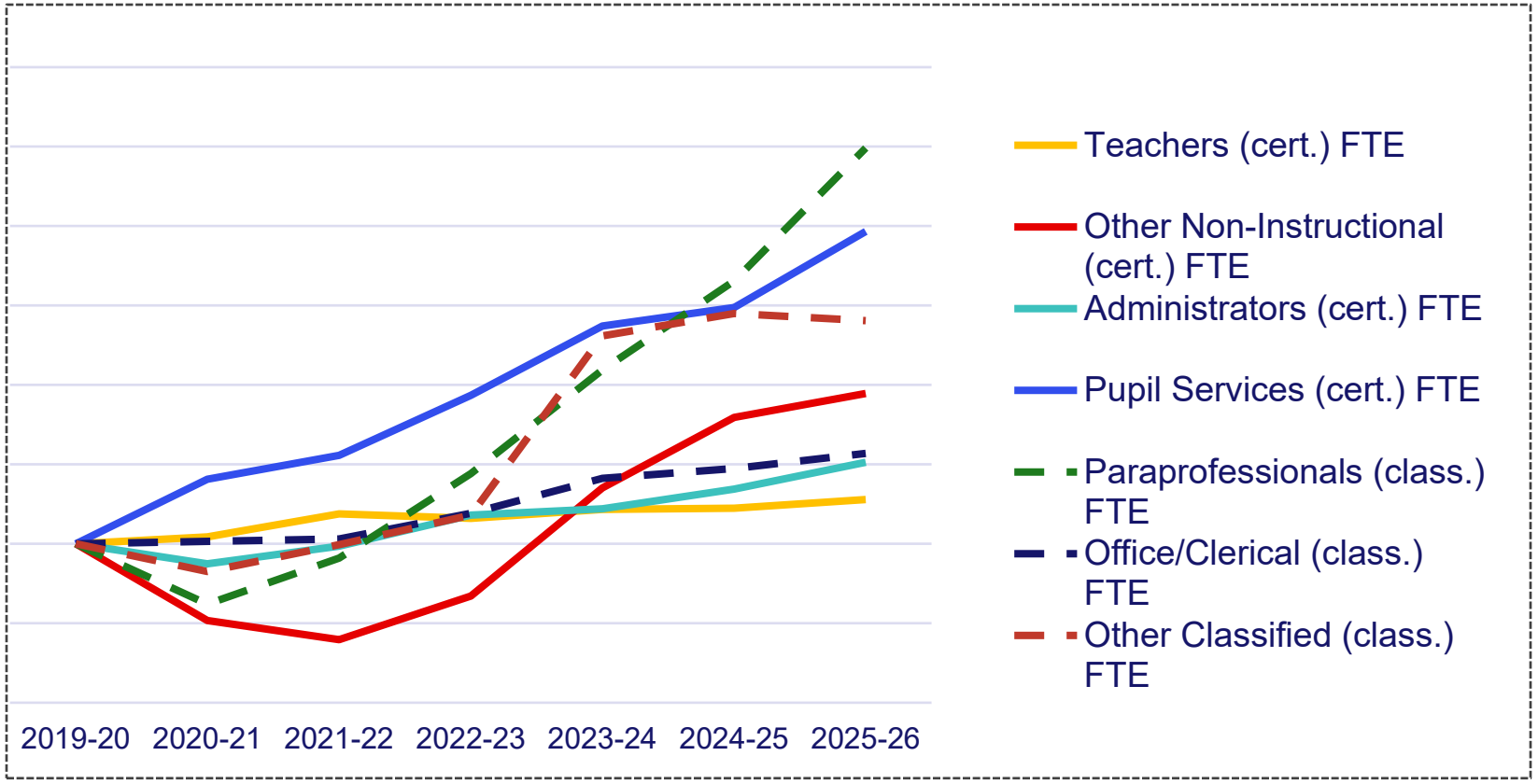
Sources: Unaudited Actuals via Ed-Data.org; General Fund ending balance as % of revenue

San Bernardino County's "New Alligator Chart"



Source: California Department of Education via Ed-Data.org; San Bernardino County totals; staff = total FTE

San Bernardino County Staffing Trends from 2019-20



It's important to note where the staffing patterns have changed

and how our work has changed in our communities

Source: California Department of Education via Ed-Data.org; San Bernardino County totals; staff = total FTE

Converging trends, closing thoughts

Achieve student success, sustainably



Most LEAs are recognizing the moment and the challenges

What works for your communities, sets the priorities

Open dialogue and work to realign budgets to resources

Beware over reliance on 1x funds

Act early

Plan ahead

Thank you