

2025-26 Proposed Budget

June 11, 2025

Lisa August, Interim Superintendent

Joel Dontos, Executive Director Fiscal Services



Presentation Items

- Overview
- Budget Assumptions
- General Fund 2025-26 Proposed Budget, including 2024-25 Estimated Actuals
- General Fund 2025-26 Proposed Budget Multi-Year Projection (MYP)
- Other Funds
- Areas to Monitor
- Next Steps

The Annual Budget Reporting Cycle



Overview

- Assumptions based on the Governor's May Revise for the 2024-25 California State Budget
- Budget to Governor by June 15
- Final budget deal by June 30
- Once the State budget is signed, a revision with the final numbers will come before the Board with the Santa Rosa City Schools 45-day budget update after the State Budget is signed into law in late June 2024

2025-26 Budget Assumptions

Next Steps for 2025-26 Budget Development

- The only proposal codified in Education Code is the statutory COLA—OK to include in local budget
 - The following are still subject to negotiations between the Governor and Legislature

Proposal	SSC Advice	Risk Level	Risk of Including in Your Adopted Budget
2.30% COLA	Yes	Very Little	Statutory COLA is a known number as of April 2025
LREBG Additional Funding	No	Lower	Lower than others, but still subject to negotiation
TK Ratio LCFF Add-On	No	High	Amount decreased from January
Discretionary Block Grant	No	High	Amount decreased and the allocation method, allowable uses, and amount may change again before the budget is enacted
Teacher Preparation and Professional Development	No	High	Amounts have been reduced and repurposed since January
Universal ELO-P 55% Threshold	No	Lower	Lower than others, but still subject to negotiation

\$6,291,244 Total in Estimated SRCS Amount:

\$2,041,779

\$535,097

\$3,714,368

2025-26 Budget Assumptions

District Enrollment and Average Daily Attendance (ADA) Data (Does not include Charter Schools) and Budget Planning Factor Assumptions used:

	2024-25	2025-26	2026-27	2027-28
District Enrollment	12,559	11,970	11,696	11,345
District ADA	11,499.59	11,069.06	10,818.39	10,495.50
Enrollment to ADA Ratio %	91.56%	92.47%	92.50%	92.51%
Statutory COLA & Augmentation/Suspension (as calculated by the Department of Finance, DOF)	1.07%	2.30%	3.02%	3.42%
Statutory COLA	1.07%	2.30%	3.02%	3.42%
COLA Augmentation/Suspension	0%	0%	0%	0%
CalSTRS Employer Rate	19.10%	19.10%	19.10%	19.10%
CalPERS Employer Rate	27.05%	26.81%	26.90%	27.80%

Fund 01 2025-26 Budget 2024-25 Estimated Actuals:

REVENUES	2024-25 Unrestricted	2024-25 Restricted	<u>2024-25 Combined Unrestricted & Restricted</u>
LCFF Sources	\$165,825,752	\$3,409,039	\$169,234,791
Federal Revenue	\$0	\$9,706,427	\$9,706,427
Other State Revenue	\$6,806,254	\$20,655,416	\$27,461,670
Other Local Revenue	\$7,652,877	\$17,569,653	\$25,222,530
TOTAL REVENUES	\$180,284,883	\$51,340,535	\$231,625,418
EXPENDITURES			
Certificated Salaries	\$69,103,332	\$29,932,033	\$99,035,366
Classified Salaries	\$23,371,941	\$11,306,403	\$34,678,344
Employee Benefits	\$34,728,295	\$24,678,600	\$59,406,895
Books and Supplies	\$810,807	\$4,157,241	\$4,968,048
Services and Other Operating Expenditures	\$24,037,530	\$40,572,923	\$64,610,453
Capital Outlay	\$0	\$716,211	\$716,211
Other Outgo (excluding Transfers of Indirect Costs)	\$83,412	-\$335,788	-\$252,376
Other Outgo - Transfers of Indirect Costs	-\$1,162,158	\$336,956	-\$825,202
TOTAL EXPENDITURES	\$150,973,159	\$111,364,579	\$262,337,738
Excess (Deficiency) Revenues over Expenditures before Other Financing Sources/Uses	\$29,311,724	-\$60,024,044	-\$30,712,320
Other Financing Sources / Uses	\$1,085,739	\$0	\$1,085,739
Contributions	-\$51,879,511	\$51,879,511	\$0
Net Increase (Decrease) in Fund Balance/Net Position	-\$21,482,049	-\$8,144,533	-\$29,626,581
FUND BALANCE, RESERVES			
Beginning Fund Balance	\$18,484,717	\$18,728,141	\$37,212,858
Ending Balance	-\$2,997,332	\$10,583,609	\$7,586,277

Fund 01 2025-26 Budget:

REVENUES	2025-26 Unrestricted	2025-26 Restricted	2025-26 <u>Combined</u> <u>Unrestricted & Restricted</u>
LCFF Sources	\$169,839,192	\$3,409,039	\$173,248,231
Federal Revenue	\$0	\$8,551,813	\$8,551,813
Other State Revenue	\$6,806,253	\$18,169,232	\$24,975,485
Other Local Revenue	\$7,146,694	\$14,323,321	\$21,470,015
TOTAL REVENUES	\$183,792,139	\$44,453,405	\$228,245,544
EXPENDITURES			
Certificated Salaries	\$67,762,922	\$24,168,857	\$91,931,779
Classified Salaries	\$20,737,167	\$9,831,190	\$30,568,357
Employee Benefits	\$30,938,506	\$21,729,329	\$52,667,835
Books and Supplies	\$1,104,716	\$4,449,208	\$5,553,924
Services and Other Operating Expenditures	\$25,003,508	\$33,846,501	\$58,850,009
Capital Outlay	\$0	\$220,701	\$220,701
Other Outgo (excluding Transfers of Indirect Costs)	\$83,412	\$0	\$83,412
Other Outgo - Transfers of Indirect Costs	-\$1,129,568	\$304,366	-\$825,202
TOTAL EXPENDITURES	\$144,500,663	\$94,550,152	\$239,050,815
Excess (Deficiency) Revenues over Expenditures before Other Financing Sources/Uses	\$39,291,476	-\$50,096,747	-\$10,805,271
Other Financing Sources / Uses	\$1,085,739	\$0	\$1,085,739
Contributions	-\$48,411,349	\$48,411,349	\$0
Net Increase (Decrease) in Fund Balance/Net Position	-\$8,034,134	-\$1,685,398	-\$9,719,532
FUND BALANCE, RESERVES			
Beginning Fund Balance	-\$2,997,332	\$10,583,609	\$7,586,277
Ending Balance	-\$11,031,466	\$8,898,211	-\$2,133,255

2025-26 Budget Multi Year Projection (MYP) General Fund 01

REVENUES	2025-26	2026-27	2027-28
LCFF Sources	173,248,231	176,671,181.00	177,978,774
Remaining Revenues	54,997,313	53,246,104	53,485,801
Total Revenues	228,245,544	229,917,285	231,464,575
EXPENDITURES			
Salaries & Benefits	175,167,971	173,725,812	173,563,270
Books/Supplies & Outlay	5,774,625	5,873,868	4,965,217
Services & Operating Expenses & Other Adjustments	58,850,009	58,632,723	59,828,511
Other Outgo & Indirect Costs & Transfers Out	-741,790	-466,414	-466,907
Other Adjustments:	0	0	0
Total Expenditures	239,050,815	237,765,989	237,890,092
Operating Net Increase/Decrease	-10,805,271	-7,848,704	-6,425,517
Transfers In and Other Sources & Transfers Out and Other Uses	1,085,739	1,085,739	1,085,739
Current Year Increase/Decrease In Fund Balance	-9,719,532	-6,762,965	-5,339,778
Beginning Balance	7,586,277	-2,133,255	-8,896,220
Ending Balance	-2,133,255	-8,896,220	-14,235,998

*Summary includes both unrestricted and restricted

2025-26 Budget Multi Year Projection (MYP) General Fund 01

Components of the Ending Fund Balance:

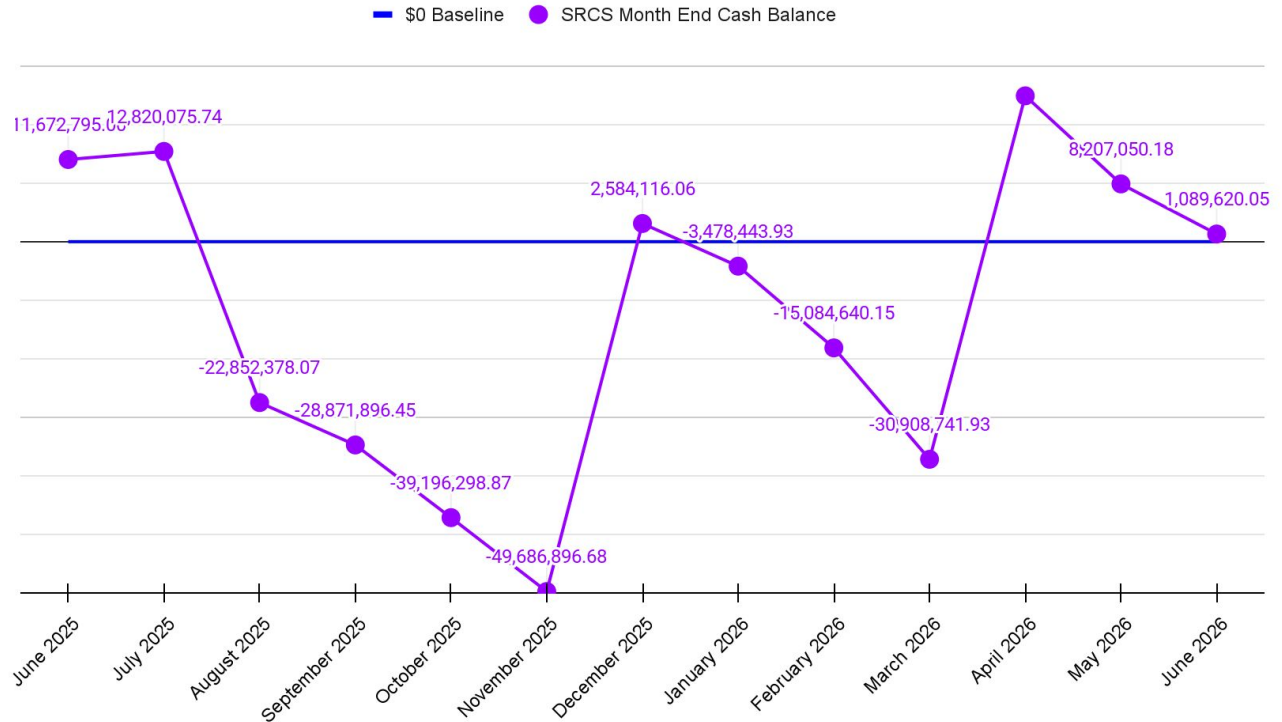
Components of Ending Balance, Reserves	2025-26	2026-27	2027-28
Ending Balance*	-2,133,255	-8,896,220	-14,235,998
Restricted Ending Balance	8,898,211	8,367,244	8,973,884
Unrestricted Ending Balance	-11,031,466	-17,263,464	-23,209,882
Minimum 3% Reserve for Economic Uncertainty	7,171,524	7,132,980	7,136,703
Special Reserve Fund - Non Capital Outlay (Fund 17) Reserve for Economic Uncertainty	612,706	628,706	645,706
Amount below Required Minimum 3% Reserve for Economic Uncertainty	-17,590,284	-23,767,738	-29,700,879

*For transparency all ending fund balances are exclusive of reimbursements and interfund transfers

2025-26 Budget Fund 01 Cash Flow: Unrestricted Ending Fund Balance can be negative, cash balance can not

Monthly Cash Balances

- SRCS projected to have positive cash balances at Fiscal Year End 2025-26
- This includes utilizing our County Treasury Line of Credit and Inter Fund borrowing we use each year
- No special financing is projected



Other Funds 2025-26 Budget Ending Balance at June 30, 2026:

OTHER FUNDS: FUND BALANCE, RESERVES	2025-26 Budget
Student Activity Special Revenue Fund 08	\$1,256,476
Charter Schools Special Revenue Fund 09	\$2,878,089
Child Development Fund 12	\$3,145,627
Cafeteria Special Revenue Fund 13	\$3,635,856
Deferred Maintenance Fund 14	\$162,542
Special Reserve Fund for Other than Capital Outlay Projects Fund 17	\$612,706
Building Fund 21 (Bond Fund)	\$11,294,638
Capital Facilities Fund 25 (Developer Fees)	\$8,246,440
County Schools Facilities Fund 35	\$455
Special Reserve Fund for Capital Outlay Projects Fund 40	\$5,254,656
Self-Insurance Fund 67 (Dental)	\$287,608
Scholarship Fund 73	\$193,612

Fiscal Stabilization Advisory Committee (FSAC)



- The FSAC is charged with reviewing SRCS financial information and information regarding programs and services.
- The FSAC makes recommendations to the Superintendent for possible revenue enhancements and expenditure reductions.
- The Superintendent can accept, not accept, modify, or add new recommendations to submit to the Board for consideration.
- The Board can act on all recommendations, none, or some.

Areas to Monitor

- Federal Programs and Funding
- Collective Bargaining
- Economic Trends
- Enrollment vs. ADA Funding Legislation
- Implementation and Continued Fiscal Stabilization Work
- Special Education Study and Implementation Plan
- State Enacted Budget
- LCAP & Prioritization
- School Consolidation/Closure/Restructure Implementation
- Changes in Charter Practices, Authorizations, and Renewals
- Intra and Inter District Transfers
- Support for Students, Staff, and Community

Next Steps

June 2025

- 2024-25 Estimated Actuals
- 2025-26 LCAP and Budget Public Hearings and Adoptions
- State Enacted Budget
- Board Finance Subcommittee continues work

July 2025

- Close the 2024-25 Books
- Solicit Participation in Fiscal Stabilization Advisory Committee (FSAC)

August 2025

- 45 Day Budget Update
- FSAC Reconvenes
- Board Finance Subcommittee continues work

Board Member Questions

