

SRCS 2025-26

Pre-First Interim Budget Update

November 12, 2025

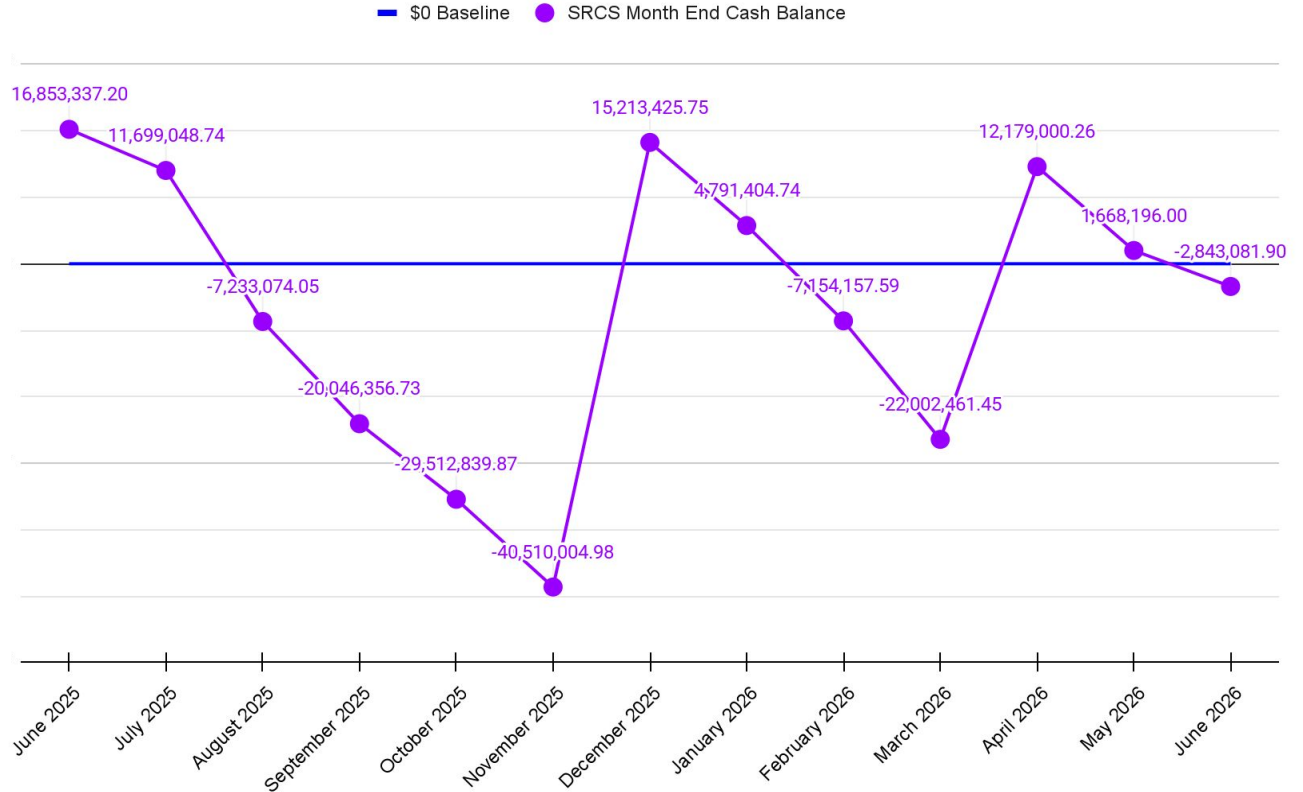
Luz Cazares, Interim Associate Superintendent of Business Services/CBO

Joel Dontos, Executive Director Fiscal Services



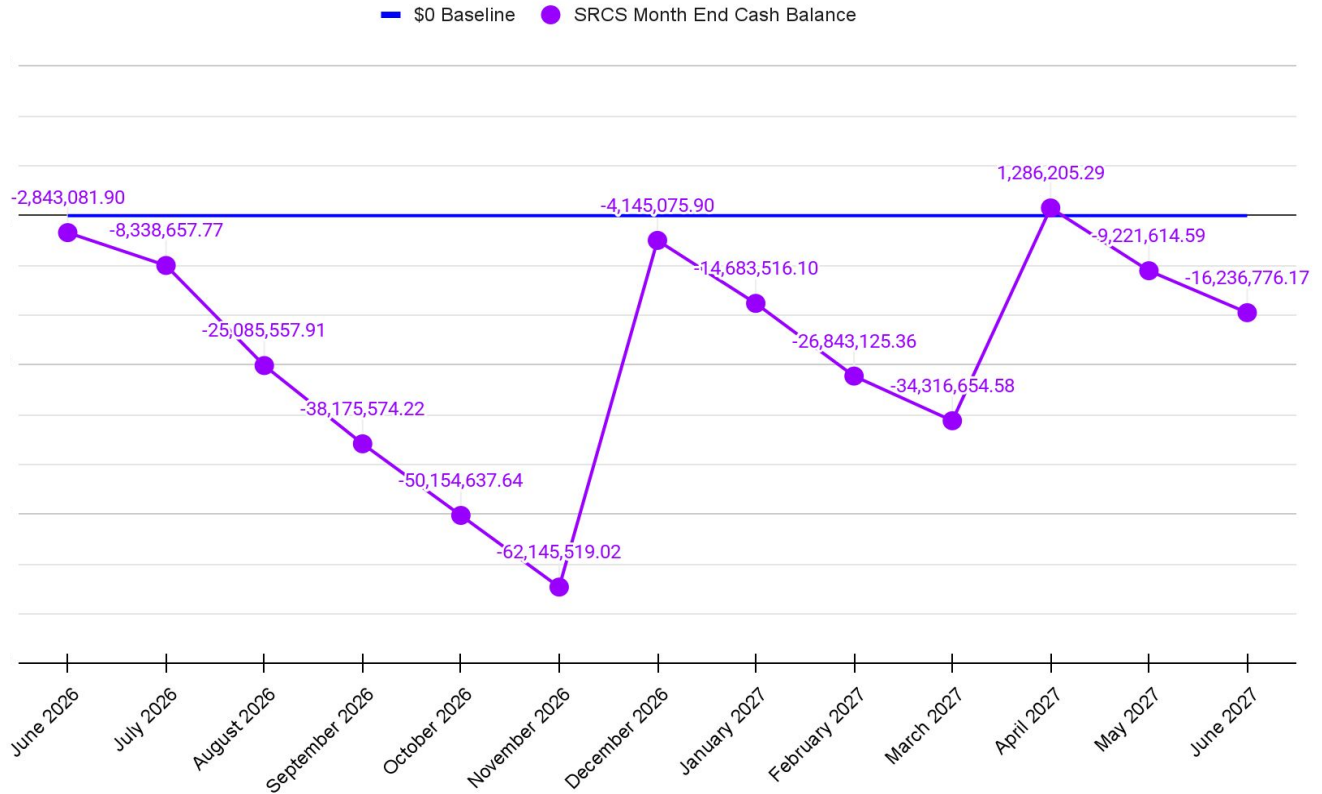
2025-26 Pre 1st Interim Fund 01 Cash Flow: FY26 (2025-26)

- Unrestricted Ending Fund Balance can be negative, cash balance can not
- SRCS projected to have a negative cash balance at Fiscal Year End 2025-26
- This includes utilizing our County Treasury Line of Credit
- This does not include using Inter Fund borrowing
- After using Inter Fund Borrowing, no special financing is projected for FY26



2025-26 Pre 1st Interim Fund 01 Cash Flow: FY27 (2026-27)

- Unrestricted Ending Fund Balance can be negative, cash balance can not
- SRCS projected to have a negative cash balance at Fiscal Year End 2026-27
- This includes utilizing our County Treasury Line of Credit
- This does not include using Inter Fund borrowing
- After using Inter Fund Borrowing, additional special financing is projected to be needed for FY27



General Fund - Multi Year Projection

Categories	FY23/24	FY24/25	FY25/26	FY26/27	FY27/28
REVENUES					
LCFF Sources	169,782,335	170,063,913	173,944,444	177,855,449	179,343,906
Federal Revenues	19,880,905	9,985,829	9,218,642	9,161,411	9,161,411
Other State Revenues	24,332,832	28,097,801	30,482,310	26,316,913	26,634,503
Other Local Revenues	23,494,515	25,424,440	22,817,819	20,946,310	20,954,301
Total Revenues	237,490,586	233,571,982	236,463,216	234,280,083	236,094,121
EXPENDITURES					
Salaries and Benefits	188,228,875	194,727,172	181,470,957	179,176,596	181,111,317
Books/Supplies & Outlay	5,707,662	5,231,328	7,701,606	7,518,712	6,760,748
Services & Operating Expenses	57,563,753	59,735,086	62,337,640	61,878,731	63,231,308
Other Outgo & Transfers	(2,326,288)	(1,827,254)	-747,229	-471,584	-471,584
Total Expenditures	249,174,001	257,866,333	250,762,973	248,102,455	250,631,790
Other Sources/(Uses)	(3,855,918)	1,085,739	1,085,739	1,085,739	1,085,739
Net Inc/Dec in FB	(15,539,333)	(23,208,611)	(13,214,019)	(12,736,632)	(13,451,929)
BEGINNING BALANCE	52,752,191	37,212,858	14,004,247	790,228	(11,946,405)
ENDING BALANCE	37,212,858	14,004,247	790,228	(11,946,405)	(25,398,334)

General Fund - Multi Year Projection

Categories	FY23/24	FY24/25	FY25/26	FY26/27	FY27/28
ENDING BALANCE	37,212,858	14,004,247	790,228	(11,946,405)	(25,398,334)
Cash/Stores/Prepaid	348,975	394,259			
Legally Restricted	18,728,141	15,114,008	16,003,660	14,513,704	13,814,721
Fund 17			-	-	-
Assignments	11,121,919				
Reserve for Economic Uncertainties	7,013,822	7,735,990	7,522,889	7,443,074	7,518,954
Unassigned	(0)	(9,240,010)	(22,736,322)	(33,903,183)	(46,732,008)

Potential Cash and Budget Solutions

- Maximize use of restricted resources
- Reduce supplemental pay
- Reduce and restructure district office
- Reduce school site staffing
- Manage special education costs increases
- Reduce discretionary contracts
- Explore intermediate to long-term budget solutions
- Plan for unbudgeted needs

Timeline

- **Sept 15th SCOE issues Lack of Going Concern designation**
- **SRCS responses to Lack of Going Concern**
 - **Sept 30th letter to SCOE re: causes**
 - **Oct 15th Updated Cash Flow Projections**
- **November 12th High Level Potential Fiscal Solutions**
- **December 8th Preliminary Fiscal Stabilization Plan**
- **December 10th Round one of budget solutions for Board action**
- **December 10th First Interim Financial Report**
- **December 10th Board action on skipping criteria**
- **December 15th SCOE to determine whether to assign a Fiscal Advisor**
- **Mid January 2026 FCMAT Fiscal Health Risk Analysis**
- **January 28th Round two of budget solutions for Board discussion**
- **February 11th Round two of budget solutions for Board action**
- **March 11th Second Interim Financial Report including PKS & RIF**

Board Member Questions

