

2025-26 2nd Interim Budget

March 12, 2026

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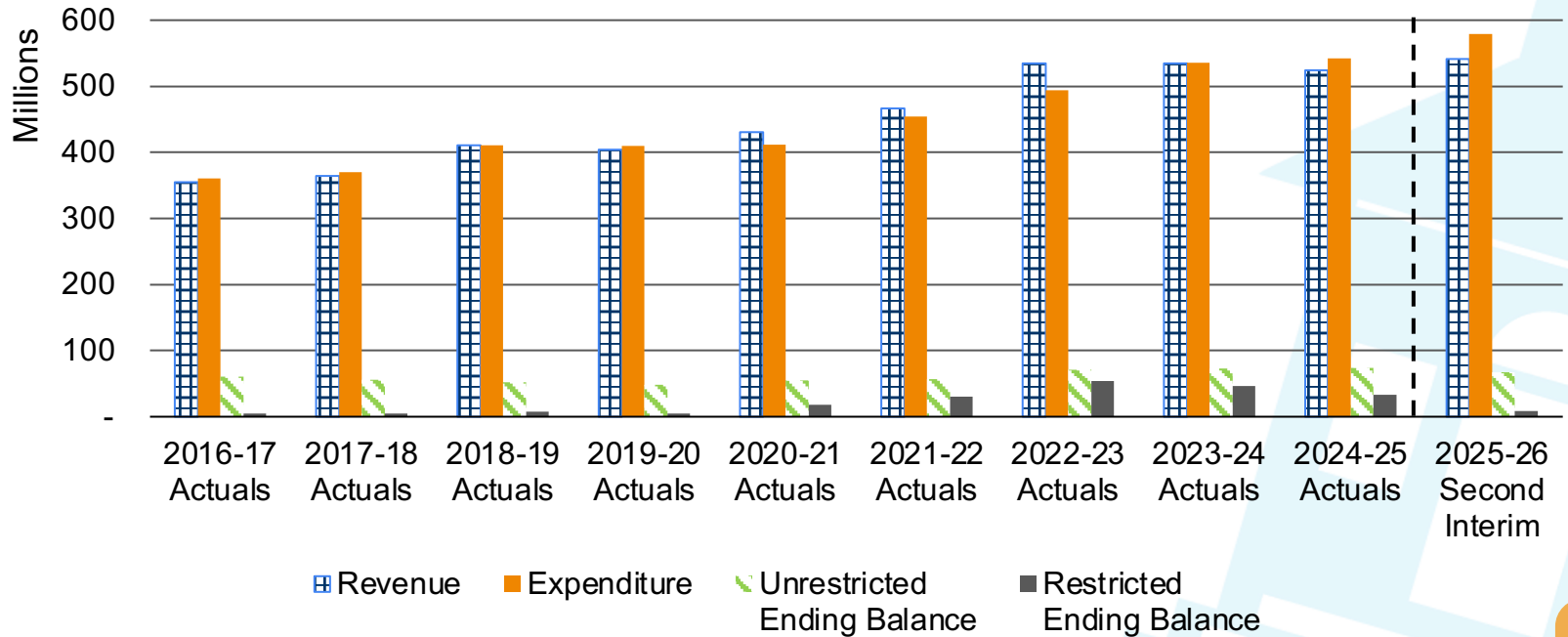
Themes for the 2025-26 Second Interim Budget

- Revenue
 - Minor mid-year adjustments
- Expenditures
 - Savings from vacant positions
 - Increases in services
- Net Activity
 - Unrestricted deficit still improved from Adopted budget
- The Work Ahead
 - 2026-27 Budget Development
 - Update assumptions in spring
 - Reflect budget reduction targets
 - Maintain commitment to balance the Unrestricted General Fund by 2027-28

General Fund Summary

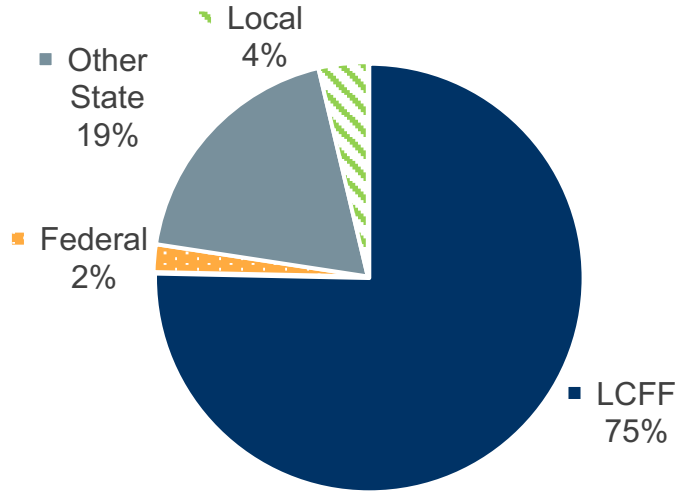
	2025-26 First Interim			2025-26 Second Interim			Variance
	Unrestricted	Restricted	Combined	Unrestricted	Restricted	Combined	
Total Revenue	429,504,009	110,300,457	539,804,466	429,358,220	112,124,623	541,482,844	1,678,378
Total Expenditures	357,607,814	214,146,076	571,753,890	357,656,933	221,593,837	579,250,770	7,496,880
Surplus (Deficit)	71,896,194	(103,845,619)	(31,949,424)	71,701,287	(109,469,213)	(37,767,926)	(5,818,502)
Other Sources	(77,494,407)	84,495,154	7,000,747	(78,118,002)	85,118,749	7,000,747	0
Net Change	(5,598,212)	(19,350,465)	(24,948,677)	(6,416,715)	(24,350,464)	(30,767,179)	(5,818,502)
Beginning Balance	73,411,832	33,397,702	106,809,534	73,411,832	33,397,702	106,809,534	0
Ending Balance	67,813,620	14,047,237	81,860,857	66,995,118	9,047,238	76,042,356	(5,818,501)

General Fund Summary

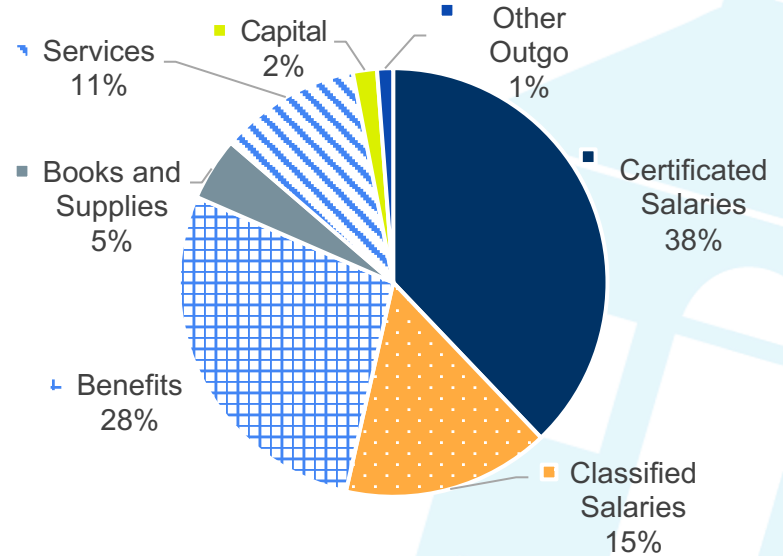


General Fund Summary

Revenue



Expenditures



Revenue Highlights

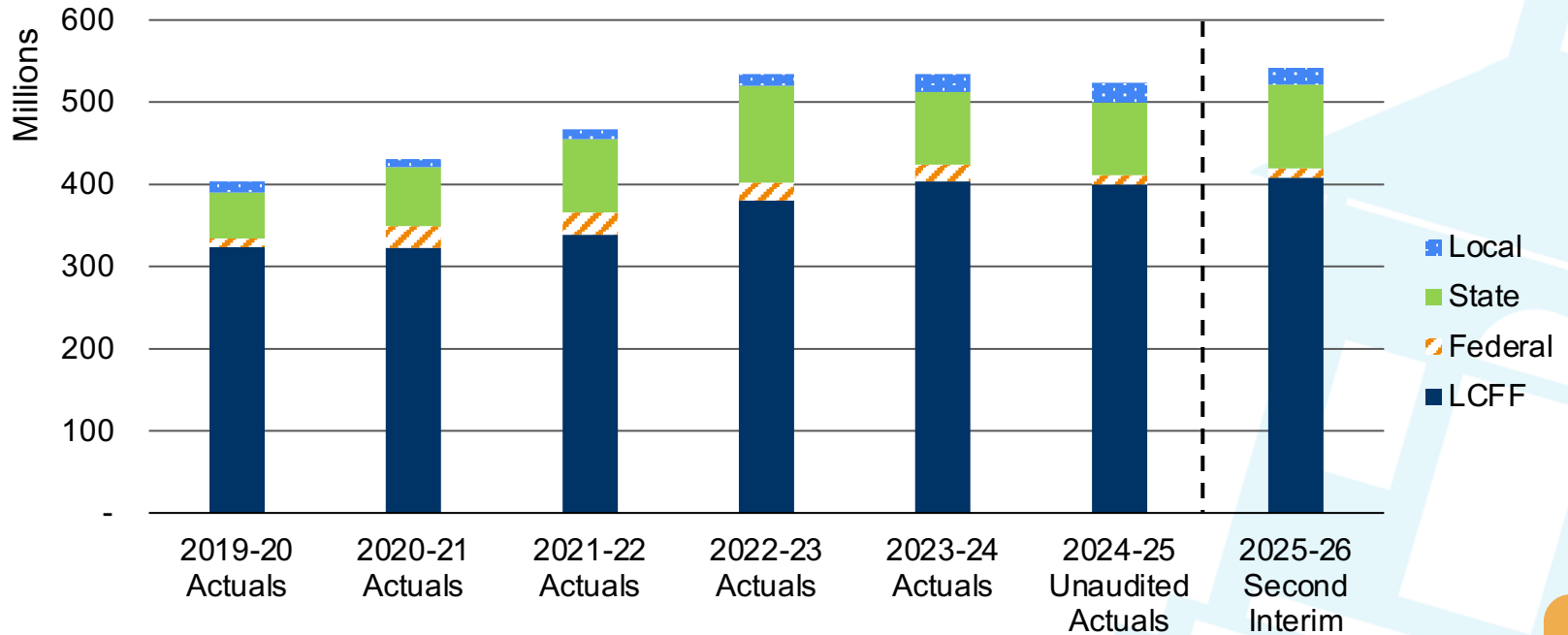
2025-26 Second Interim

- Local Control Funding Formula
 - Enrollment & attendance adjustments
- Federal Revenue
 - Minor updates
- Local Revenue
 - Minor updates
- State Revenue
 - CTE Grants - \$1,561,760
 - Special Ed enrollment adjustments – (\$278,499)
 - Misc state grants - \$335,170

2025-26 Revenue

Sources	2025-26 First	2025-26 Second	Difference
Local Control Funding Formula (LCFF)	407,888,066	407,898,206	10,140
Federal	11,256,489	11,263,321	6,832
Other State	100,628,999	102,247,430	1,618,431
Other Local	20,030,912	20,073,886	42,974
Total	539,804,466	541,482,843	1,678,377

Revenue History



Expenditure Highlights

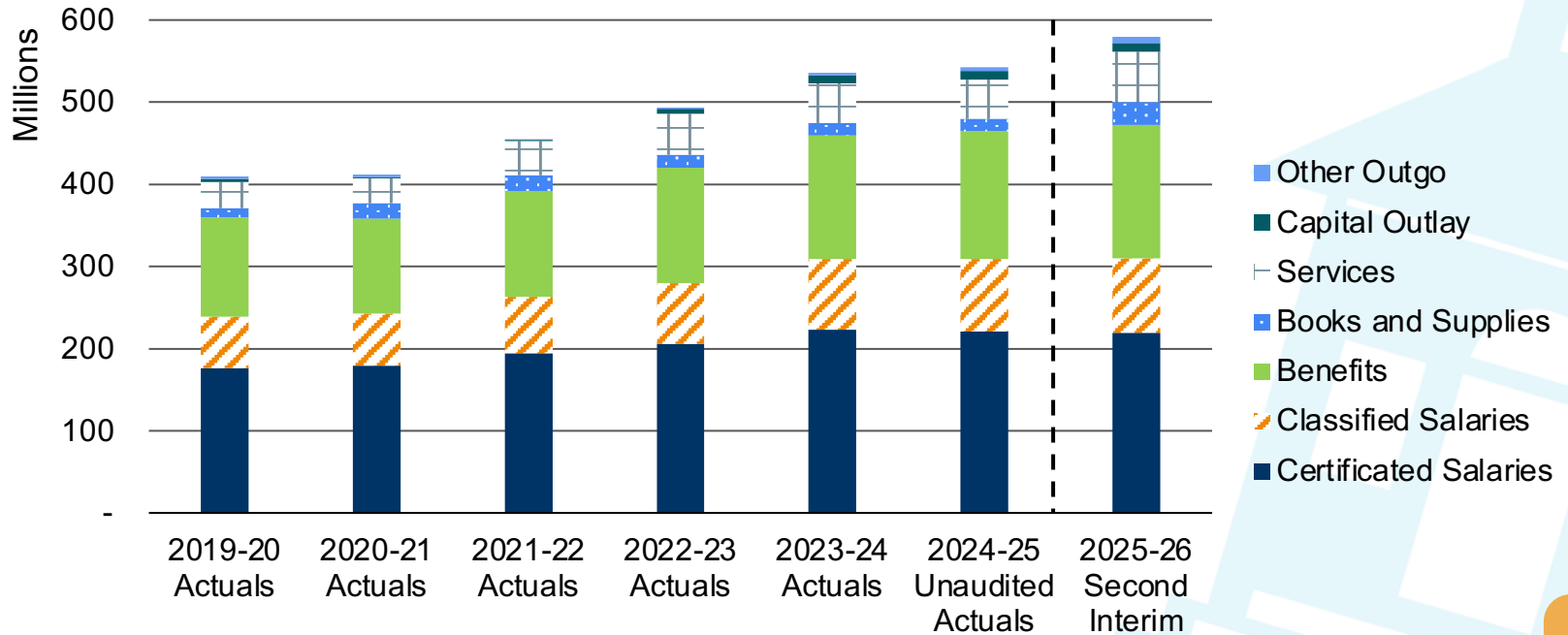
2025-26 Second Interim

- Salaries & Benefits
 - Vacancy & retirement savings
 - Certificated substitute budget increase
- Materials & Supplies
 - Increases in grant-related resources
- Services & Capital Outlay
 - Utilities increases - \$590,000
 - Special Ed NPS increases - \$1,493,172
 - AB 218 Set-Aside - \$5,000,000

2025-26 Expenditures

	2025-26 First	2025-26 Second	Difference
Certificated Salaries	219,083,761	219,452,437	368,676
Classified Salaries	91,230,000	90,705,221	(524,779)
Benefits	161,969,671	162,121,960	152,289
Books & Supplies	27,437,328	27,665,677	228,349
Services	54,514,495	61,769,351	7,254,856
Capital Outlay	10,524,121	10,533,880	9,759
Other Outgo	8,129,703	8,137,438	7,735
Direct/Indirect Costs	(1,135,189)	(1,135,194)	(5)
Total Expenditures	571,753,890	579,250,770	7,496,880

Expenditure History



Ending Balance Highlights

2025-26 Second Interim

- Unrestricted

- Ending balance drops by \$818,502
 - Revenue decrease of \$145,788
 - Expenditure increase of \$49,118
 - Special Ed Contribution increase of \$623,595
- Reserve percentage decreases slightly from 11.5% to 11.1%

- Restricted

- Ending balance drops by \$5,000,000

General Fund Reserves

	2025-26 First Interim			2025-26 Second Interim			Variance
	Unrestricted	Restricted	Combined	Unrestricted	Restricted	Combined	
Beginning Balance	73,411,832	33,397,702	106,809,534	73,411,832	33,397,702	106,809,534	
Net Activity	(5,598,212)	(19,350,465)	(24,948,67)	(6,416,715)	(24,350,46)	(30,767,179)	(5,818,502)
Ending Balance	67,813,620	14,047,237	81,860,857	66,995,118	9,047,238	76,042,356	(5,818,501)
<u>Components</u>							
Nonspendable	575,000		575,000	575,000		575,000	
Restricted		14,047,237	14,047,237		9,047,238	9,047,238	(4,999,999)
Assigned	1,314,505		1,314,505	1,539,412		1,539,412	224,907
Economic Uncertainties	11,495,542		11,495,542	11,645,479		11,645,479	149,937
Unassigned	54,428,573		54,428,573	53,235,226		53,235,226	(1,193,347)
Reserve Reserve %	65,924,115 11.5%		65,924,115 11.5%	64,880,706 11.1%		64,880,706 11.1%	(1,043,409)

Multi-Year Projection (MYP)

- Multi-Year Projection assumptions are updated for each budget report with the most current information
 - Revenue assumptions will change with release of the Governor's May Revision leading to the final budget act in June
 - Statutory Cost of Living Adjustment (COLA) on LCFF and state programs will not be set until April
 - Enrollment projections are in progress for revenue and staffing purposes
 - Federal decisions may result in loss of state and District funding

Poway Unified School District General Fund Combined MULTI-YEAR PROJECTIONS

DESCRIPTION	2025-26 First Interim Budget	2025-26 Second Interim Budget	2026-27 Projected	2027-28 Projected
Enrollment	34,087	34,087	33,567	33,440
Attendance Rate	95.50%	95.50%	96.00%	96.00%
Average Daily Attendance (ADA) - Funded	33,025	33,004	32,863	32,535
Statutory COLA (per SSC)	2.30%	2.30%	2.41%	3.06%
Unduplicated Pupil Percentage (%)	19.54%	19.54%	18.89%	18.55%
STRS	19.10%	19.10%	19.10%	19.10%
PERS	26.81%	26.81%	26.40%	26.90%
<i>Budget Solutions implemented</i>	\$10.8 mil	\$10.8 mil	n/a	n/a

**2nd Interim MYP
with updated
COLA and revised
Budget Solution
placeholders**

**Assumptions will
be updated in
May with the
statutory COLA
and any
adjustments from
the May Revision**

General Fund Combined MULTI-YEAR PROJECTIONS				
DESCRIPTION	2025-26 First Interim Budget	2025-26 Second Interim Budget	2026-27 Projected	2027-28 Projected
Total GF Revenues	\$ 539,804,466	\$ 541,482,844	\$ 525,878,568	\$ 534,341,687
Total GF Expenditures	\$ 571,753,890	\$ 579,250,770	\$ 544,852,765	\$ 552,776,078
Other Financing Sources/Uses	\$ 7,000,747	\$ 7,000,747	\$ 7,000,747	\$ 7,000,747
<i>2026-27 Proposed Reduction (one-time funding shifts)</i>			\$4.8M	n/a
<i>2026-27 Proposed Budget Solutions (ongoing)</i>	n/a	n/a	\$5.0M	\$5.0M
<i>2027-28 Proposed Budget Solutions (ongoing)</i>	n/a	n/a	n/a	\$5.5M
Net Activity - Combined	\$ (24,948,677)	\$ (30,767,179)	\$ (6,973,451)	\$ (933,644)
Net Activity - Restricted	\$ (19,350,465)	\$ (24,350,464)	\$ (7,579,946)	\$ (967,295)
Net Activity - Unrestricted	\$ (5,598,212)	\$ (6,416,715)	\$ 606,495	\$ 33,651
Beginning Fund Balance	\$ 106,809,534	\$ 106,809,534	\$ 76,042,355	\$ 69,068,903
Ending Fund Balance - Combined	\$ 81,860,857	\$ 76,042,355	\$ 69,068,903	\$ 68,135,259
Ending Fund Balance - Restricted	\$ 14,047,237	\$ 9,047,238	\$ 1,467,293	\$ 499,997
Ending Fund Balance - Unrestricted	\$ 67,813,621	\$ 66,995,117	\$ 67,601,611	\$ 67,635,262
Reserve Amount	\$ 65,924,116	\$ 64,880,706	\$ 66,560,201	\$ 66,593,851
Reserve %	11.5%	11.1%	12.3%	12.2%

Next Steps

- May – Finalize budget assumptions and estimated actuals
- June – Adopt 2026-27 Annual Budget