2026-27
45-Day Revise
Budget Report

July 28, 2026

Agenda

01

Budget Timelines

02

45-Day Update to SRVUSD Budget

03

Next Steps

Public Education Budget Cycle

2026-27 Fiscal Year

Adopted Budget
Due Date:
June 30
Period Covered:
New Fiscal Year

45-Day Revise
Due Date:
August 13
Period Covered:
New Fiscal Year

First Interim
Due Date:
December 15
Period Covered:
July 1 - October 31

Second Interim
Due Date:
March 15
Period Covered:
July 1 - January 31

Estimated Actuals
Due Date:
June 30
Period Covered:
July 1 - June 30

Unaudited Actuals
Due Date:
September 15
Period Covered:
July 1 - June 30

45-Day Revision
to the
2026-27 SRVUSD Budget

2026-27 Combined Summary of Changes

Revenues	Adopted Budget	45-Day Revised Budget	Change	%
LCFF Revenues	$343,837,946	$343,837,946	$0	0.00%
Federal Revenues	$7,179,137	$7,179,137	$0	0.00%
Other State Revenues	$75,199,054	$110,028,290	$34,829,236	46.32%
Other Local Revenues - Other	$41,217,471	$41,217,471	$0	0.00%
Other Financing Sources	$0	$0	$0	0.00%
Total Revenues and Others Sources	**$467,433,608**	**$502,262,844**	**$34,829,236**	7.45%
Expenditures				
Certificated Salaries	$183,268,185	$188,000,861	$4,732,676	2.58%
Classified Salaries	$74,574,206	$75,260,421	$686,215	0.92%
Employee Benefits	$142,479,738	$144,006,381	$1,526,643	1.07%
Books & Supplies	$9,544,524	$9,544,524	$0	0.00%
Services	$48,103,714	$48,103,714	$0	0.00%
Capital Outlay	$4,946,765	$4,946,765	$0	0.00%
Other Outgo / Indirect Costs	$300,000	$300,000	$0	0.00%
Transfers Out / Contributions	$2,333,672	$6,445,919	$4,112,247	176.21%
Total Expenditures and Others Uses	**$465,550,804**	**$476,608,585**	**$11,057,781**	2.38%
Surplus / (Deficit)	**$1,882,804**	**$25,654,259**	**$23,771,455**	

2026-27 Budget Detail

Revenues	Unrestricted	Restricted	Combined
LCFF Revenues	$343,837,946	$0	$343,837,946
Federal Revenues	$0	$7,179,137	$7,179,137
Other State Revenues	$12,120,206	$97,908,084	$110,028,290
Other Local Revenues - Other	$13,771,153	$27,446,318	$41,217,471
Other Financing Sources	$0	$0	$0
Total Revenues and Others Sources	**$369,729,305**	**$132,533,539**	**$502,262,844**
Expenditures			
Certificated Salaries	$145,161,737	$42,839,124	$188,000,861
Classified Salaries	$38,174,375	$37,086,046	$75,260,421
Employee Benefits	$86,568,582	$57,437,799	$144,006,381
Books & Supplies	$4,328,887	$5,215,637	$9,544,524
Services	$24,390,891	$23,712,823	$48,103,714
Capital Outlay	$205,454	$4,741,311	$4,946,765
Other Outgo / Indirect Costs	-$860,046	$1,160,046	$300,000
Transfers Out / Contributions	$64,583,572	-$58,137,653	$6,445,919
Total Expenditures and Others Uses	**$362,553,452**	**$114,055,133**	**$476,608,585**
Surplus / (Deficit)	**$7,175,853**	**$18,478,406**	**$25,654,259**
Adopted Budget Surplus/ (Deficit)	**$2,829,591**	**($946,787)**	**$1,882,804**

2026-27 Budget Detail

	Unrestricted	Restricted	Combined
Beginning Fund Balance	$ 702,825	$ 15,281,822	$ 15,984,647
Net Increase (Decrease) in Fund Balance	$ 7,175,853	$ 18,478,406	$ 25,654,259
Ending Fund Balance	$ 7,878,678	$ 33,760,228	$ 41,638,906
Components of Ending Fund Balance			
-Non-spendable	$ 319,137	$ 0	$ 319,137
-Legally Restricted	$ 0	$ 33,760,228	$ 33,760,228
-Committed	$ 0	$ 0	$ 0
-Assigned	$ 7,559,541	$ 0	$ 7,559,541
-Undesignated/Unappropriated	$ 0	$ 0	$ 0
Total Ending Fund Balance	**$ 7,878,678**	**$ 33,760,228**	**$ 41,638,906**

Fund 17 Balance			
Reserve for Economic Uncertainties (REU)	$ 13,966,568	$ 0	$ 13,966,568
Strategic Reserve (Assigned)	$ 5,371,089	$ 0	$ 5,371,089
Reserve Percentage (Fund 17 REU + Fund 01 and Fund 17 Assigned)			5.64%
Adopted Budget Reserve Percentage			4.44%

2026-27 Schedule of Changes

Revenues	Change
LCFF Revenues	$0
Federal Revenues	$0
Other State Revenues	$34,829,236
Other Local Revenues - Other	$0
Other Financing Sources	$0
Total Revenues and Others Sources	**$34,829,236**
Expenditures	
Certificated Salaries	$4,732,676
Classified Salaries	$686,215
Employee Benefits	$1,526,643
Books & Supplies	$0
Services	$0
Capital Outlay	$0
Other Outgo / Indirect Costs	$0
Transfers Out / Contributions	$4,112,247
Total Expenditures and Others Uses	**$11,057,781**
Surplus / (Deficit)	**$23,771,455**

Special Education (AB602) Base Rate Increased from $999 to $1,340	**Restricted** Ongoing	**$9,584,203**
Student Support & Professional Development Block Grant (SSPD) $930 per ADA	**Restricted** One-Time	**$24,938,834**
Learning Recovery Emergency Block Grant $228 per ADA; LCAP Restricted	**Restricted** One-Time	**$306,199**
Total		**$34,829,236**

2026-27 Schedule of Changes

Revenues	Change
LCFF Revenues	$0
Federal Revenues	$0
Other State Revenues	$34,829,236
Other Local Revenues - Other	$0
Other Financing Sources	$0
Total Revenues and Others Sources	**$34,829,236**
Expenditures	
Certificated Salaries	**$4,732,676**
Classified Salaries	**$686,215**
Employee Benefits	**$1,526,643**
Books & Supplies	$0
Services	$0
Capital Outlay	$0
Other Outgo / Indirect Costs	$0
Transfers Out / Contributions	$4,112,247
Total Expenditures and Others Uses	**$11,057,781**
Surplus / (Deficit)	**$23,771,455**

Paid Pregnancy Disability Leave 14 Paid Weeks, Budgeted at 50 instances	**Unrestricted**	**$1,125,594**
Elementary Counselors, 11.0 FTE MOU-Triggered	**Restricted (SSPD)**	**$1,427,183**
Social Workers, 3.4 FTE MOU-Triggered	**Restricted (SSPD)**	**$569,620**
SRVEA Furlough Days MOU-Triggered	**Restricted (SSPD)**	**$3,029,169**
CSEA 1.5% One-Time Payment MOU-Triggered	**Restricted (SSPD)**	**$793,868**
Total		**$6,945,534**

2026-27 Schedule of Changes

Revenues	Change
LCFF Revenues	$0
Federal Revenues	$0
Other State Revenues	$34,829,236
Other Local Revenues - Other	$0
Other Financing Sources	$0
Total Revenues and Others Sources	**$34,829,236**
Expenditures	
Certificated Salaries	$4,732,676
Classified Salaries	$686,215
Employee Benefits	$1,526,643
Books & Supplies	$0
Services	$0
Capital Outlay	$0
Other Outgo / Indirect Costs	$0
Transfers Out / Contributions	**$4,112,247**
Total Expenditures and Others Uses	**$11,057,781**
Surplus / (Deficit)	**$23,771,455**

Recommendations		
Transfer to Fund 17 Strategic Reserve for 1:1 Device Reimbursement for chromebooks	**Unrestricted**	**$1,876,034**
Transfer to Fund 40 - Facility Use Reinstate to Support Future Capital Projects	**Unrestricted**	**$1,207,447**
Transfer to Fund 40 - 3130 Crow Canyon Revenue For Tracking Purposes	**Unrestricted**	**$1,028,766**
Total		**$4,112,247**

Additional Recommendations - SSPD Grant

- The Student Support & Professional Development Discretionary Block Grant of $24.9M will have an estimated balance of $14.09M after committed expenses. Staff recommends utilizing 50% of balance ($6.6M) to increase our reserves to 7% per Board Policy.

SSPD Grant	$24,938,834
11.0 FTE Elementary Counselors, 2 years	($2,854,366)
3.4 FTE Social Workers, 2 years	($1,139,240)
SRVEA Furlough Days, 2 years	($6,058,338)
CSEA 1.5% One-Time Payment	($793,868)
SEIU MOU (TBD)	($878,703)
Balance	$13,214,319
50% to Reserves for Economic Uncertainties	$6,607,159

Other Considerations - COLA with Strings Attached

- **Despite a fully funded COLA, SRVUSD expects to receive a small increase in LCFF funding due to declining student enrollment.**
- **Statutory COLA is 2.87% + 1.44% LCFF Investment tied to Paid Pregnancy Disability Leave**

	2025-26	2026-27	2027-28	2028-29
Funded COLA	2.30%	4.31%	3.30%	3.09%
LCFF Revenues	$335.68M	$343.84M	$346.58M	$347.62M
$ Change LCFF	$3.56M	$8.15M	$2.74M	$1.04M
% Change LCFF	1.07%	2.43%	0.80%	0.30%
Funded ADA (3 Yr)	27,877	27,411	26,723	25,982
ADA Difference	-587.57	-465.26	-688.35	-741.32

Paid Pregnancy Disability Leave

Effective January 1, 2027

Up to 14 weeks of fully paid leave for disability related to pregnancy or recovery.

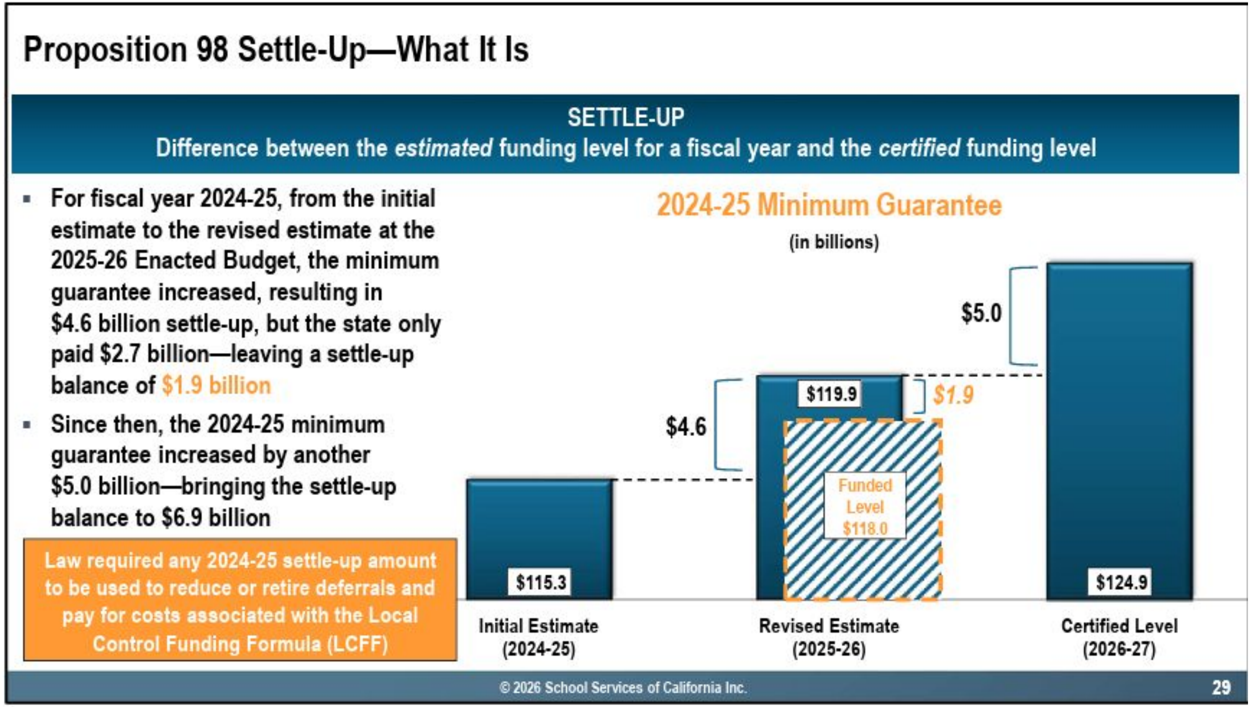
Applies to regular full-time & part-time certificated and classified public school employees.

Estimated SRVUSD Cost: ~$1.125M

Other Considerations

- **Despite of a 34% increase in Special Education Base Funding, the programs remain underfunded. SRVUSD will still contribute nearly $45M (13%) of LCFF revenues into special education programs.**

- **Proposition 98 Settle-Up obligations have grown to $6.9B. However, the Enacted Budget mandates repayments to be deposited into the Rainy Day Fund.**
  We will have to wait.



Summary

- **The State-Enacted Budget modestly improves SRVUSD's financial outlook.**
  - 2026-27 reserves increased from 4.4% to 5.6%
  - The SSPD Discretionary Block Grant triggers and funds existing MOUs

- **Staff Recommendations**
  - Transfer $1.8M for student devices to Fund 17
  - Reinstate Facility Use revenues set aside to Fund 40
  - Utilize 50% of SSPD balance to increase reserves to 7% per Board Policy

- **Challenges**
  - SRVUSD's realized COLA is much lower than the state-funded 4.31% COLA due to declining enrollment and the Paid Pregnancy Disability Leave.
  - Despite the increase in revenues, special education programs remain underfunded.
  - Any anticipated revenues from the Proposition 98 Settle-Up will instead be deposited into the state's Education Rainy Day Fund.

Next Steps and Upcoming Milestones

JULY

Trailer Bill

State Budget Trailer Bill language is released (includes additional description of the budget).

AUGUST 31

Legislative Deadline

The final day for the Legislature to approve any legislation.

SEPTEMBER 15

BOE Meeting

Unaudited Actuals Financial Report for prior fiscal year.

DECEMBER 15

BOE Meeting

1st Interim Financial Report as of 10/31/2026.

= SRVUSD Budget Events

= State Budget Events

Questions and Board Discussion