



2025-26

Adopted Budget

COTATI-ROHNERT PARK UNIFIED SCHOOL DISTRICT
PRESENTATION
DATE 6/10/25

Thank You

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Molly Koler

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Alana DeMars

Dr. Jamal Fields

Gigi Fusco

All Site Principals



Proposed Budget 2025-26

- The Local Control Funding Formula (LCFF) was implemented in 2013-14
- A key piece to the formula is the Local Control Accountability Plan (LCAP)
The LCAP requires reporting of goals and related expenditures that will align with the district's budget
- Both the Preliminary LCAP and Preliminary Budget must be presented in a public hearing in a meeting prior to adoption to allow for discussion and public input
- The LCAP and Proposed Budget are both presented tonight for final adoption and approval at our next meeting June 17, 2025



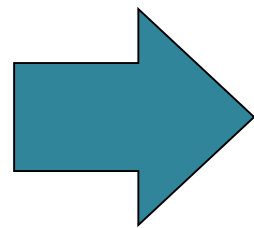
Proposed Budget 2025-26

- The Proposed Budget for 2025-26 contains the most updated information available up to and including the Governor's May Revision Proposal
- The Governor is just one voice in the state's 2025-26 budget, and he cannot pass the budget alone
- The State Senate and State Assembly get to weigh in and each have submitted their budget proposals for 2025 -26 which could potentially provide additional funding and/or reduce expenditures for schools

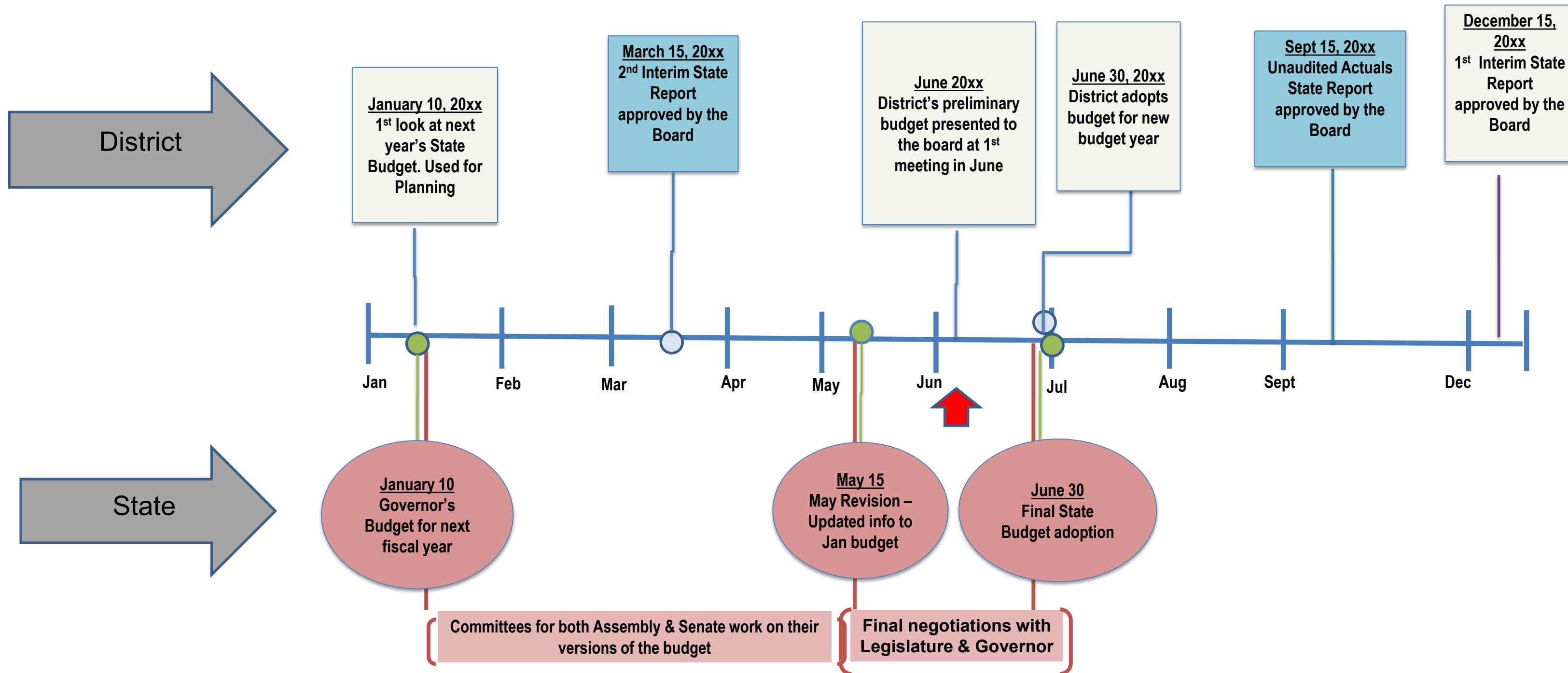


State Budget Process

- January
 - Governor's proposed budget for budget year
- February
 - Legislative Analyst review with comments
- April
 - Statutory COLA recalculated
- May
 - "May Revise" reflects tax adjustments
- June 15 (or later)
 - Final adopted State budget
 - Final COLA
 - Potential additional programs, or funding changes
- November
 - Legislative Analyst Report (LAO Report)
 - Projections for next year based on tax collections and economic predictors
- January
 - Governor's proposed budget for next budget year...



District Budget Process



Themes for the 2025-26 May Revision



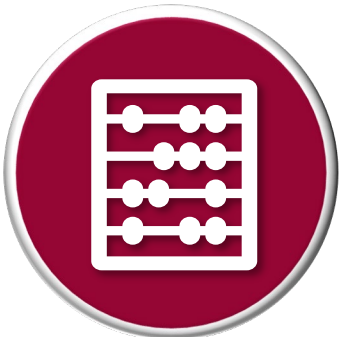
Governor Gavin Newsom released his 2025-26 May Revision amid significant financial and economic uncertainty



His May Revision projects both lower revenues and increased costs of health care in the current year and near term



Significant emphasis on federal policy and its impacts on California foreign trade, tourism, and immigration



To address the budget deficit, he uses a combination of reductions, borrowing, funding shifts, deferrals, and expenditures that would only be activated if sufficient revenues materialize



First seen in his January 2025 Budget proposal, the plan to under-appropriate the 2024-25 minimum guarantee remains in his May Revision to the tune of \$1.3 billion



Proposition 98 is largely insulated from these problems, with minimal disruptions to the proposals from the Governor's Budget in early January 2025, despite all that has come to pass since then

The May Revision and the Economy

The “Big Three” sources of state revenue (i.e., personal income, corporation, and sales and use taxes) are projected to be lower by \$4.8 billion over the three-year budget window when compared to January

Job growth has been downgraded due to weaker labor market conditions and federal policy changes

Inflation assumptions are about 1.0% higher than Governor’s Budget estimates

The May Revision assumes a “Growth Recession”

- To last through the first three quarters of 2025
- Below trend growth
- Rising unemployment

Slow growth is expected to continue through 2028

The May Revision forecasts a 27.0% average California tariff rate, significantly higher than the 2.4% tariff rate in 2024



Federal Education Budget

President Donald Trump's Proposed 2026 Budget

**Non-Defense
Spending**

**Reduced by
\$163 billion from
2025 levels, including
education spending**

Maintains Title I and Special Education Funding

**K-12 Simplified Funding Program
\$2 billion for 18 consolidated formula and
competitive grants**

Eliminates Adult Education

Eliminates Title III and Migrant Education

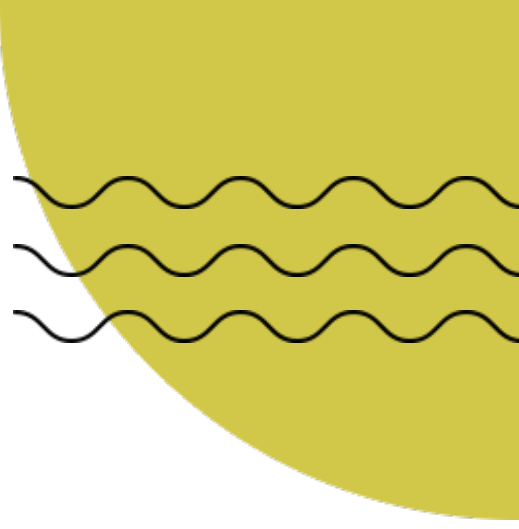
Risks to Proposition 98 and Education

The present is uncertain . . . the future is even more so



- Proposition 98 and the education budget rely on a healthy California economy and the strength of the state General Fund
- Deteriorated conditions diminish education resources
- The May Revision reverts to using old budget tools and creates a new one—a *psychic* settle up
- Reliance on one-time resources to support core programs poses risks, especially if conditions worsen
- Problems on the “*other side*” of the State Budget could make suspending Proposition 98 an enticing budget solution

Change in Fund Balance since 2nd Interim



2024-25 Unrestricted Budget Changes Since 2nd Interim Budget Revision			
		Change in Fund Balance	
Excess of Expenditures over Revenues at 2nd Interim		\$	(2,516,165)
Revenue Changes			
LCFF Funding - adjustment to ADA & UPP%	(260,715)		
Other State Revenue - Adj transportation reimbursement revenue	(7,932)		
Other Local Revenue - Interest Income	254,892		
	<u>(13,755)</u>	\$	(13,755)
Expenditure Changes			
Certificated Salaries - adj cert teacher and cert management sub expense	65,674		
Classified Salaries - adj CSEA, SEIU sub expense	11,025		
Benefits - based on above + H&W adjustments	(55,769)		
Books and Supplies - MAA supplies	19,420		
Other Services, Operations - election expense	71,615		
Transfer of Indirect	(2,760)		
Decreased Contribution to SpEd	(23,802)		
Total Expenditure Change	<u>85,404</u>	\$	85,404
Revised Excess of Revenues over Expenditures at Second Interim		\$	(2,615,324)

Key Budget Assumptions

- Department of Finance COLA funding assumptions
- Step and Column movement cost increases 1.5% annually
- Health and Welfare cost increase of 7.5% in 2025-26, 4% in subsequent years
- Assumed STRS & PERS costs using current projected rates
- Funded Average Daily Attendance (ADA) projected at 6,248.39 for 2025-26
- Funded ADA for 2026-27 of 6,259.95 (current projected ADA for 2026-27)
- Funded ADA for 2027-28 of 6,261.78 (current projected ADA for 2027-28)



Components: Funding Factors

Planning Factors for 2025-26 and MYPs

	2024-25	2025-26	2026-27	2027-28
Statutory COLA	1.07%	2.30%	3.02%	3.42%
Funded LCFF Cola	1.07%	2.30%	3.02%	3.42%
STRS Employer Rates	19.10%	19.10%	19.10%	19.10%
PERS Employer Rates	27.05%	26.81%	26.90%	27.80%
Unemployment Insurance Rate	0.05%	0.05%	0.05%	0.05%
Lottery per ADA				
Unrestricted	\$ 191.00	\$ 191.00	\$ 191.00	\$ 191.00
Restricted	\$ 82.00	\$ 82.00	\$ 82.00	\$ 82.00
Mandated Block Grant for Districts				
K-8 per ADA	\$ 38.21	\$ 39.09	\$ 40.27	\$ 41.65
9-12 per ADA	\$ 73.62	\$ 75.31	\$ 77.58	\$ 80.23
Routine Restricted Maintenance	Minimum of 3% of total GF expenditures (based on actual expenditures)			



Components : Staffing

# of Positions 2025-26 Budget Adoption	RPCEA 381.30FTE	SEIU 161.025 FTE	CSEA 93.6875 F	Non-Rep 80.6 FTE
# of Positions 2024-25 2nd Interim	RPCEA 372.39FTE	SEIU 139.53 FTE	CSEA 88.81 FTE	Non-Rep 79.0 FTE
# of Positions 2024-25 Budget Adoption	RPCEA 359.23FTE	SEIU 121.89 FTE	CSEA 88.81 FTE	Non-Rep 78.0 FTE



2025-26 projected Enrollment & ADA by Site

2025-26	Enrollment			Average Daily Attendance						
Site	2024-25	2025-26 Proj	Difference	p/y ADA	proj ADA	9-12	7-8	4-6	TK-3	
RCHS	1,718	1,789	71	92.08%	92.80%	1,660.19				1,660.19
El Camino	66	72	6	62.71%	63.00%	45.36				45.36
Tech HS	338	356	18	95.93%	95.93%	341.51				341.51
LJMS	776	800	24	95.44%	95.44%		501.06	262.46		763.52
TMS	404	470	66	93.40%	93.75%		281.25	159.38		440.63
Evergreen	636	616	(20)	93.80%	94.00%			189.88	389.16	579.04
John Reed	373	387	14	92.25%	93.00%			115.32	244.59	359.91
MH	479	510	31	96.03%	96.03%			152.69	337.07	489.75
MV	501	486	(15)	94.94%	94.94%			131.97	303.81	435.77
RC	277	299	22	96.83%	96.83%			99.73	189.79	289.52
TPA	433	434	1	93.61%	93.75%		105.00	133.13	168.75	406.88
Univ	286	350	64	94.18%	94.50%			87.89	242.87	330.75
NPS	44	45	1							
	6,331	6,614	283			2,047.06	887.31	1,332.43	1,876.03	6,142.83
									ADA %	93.51%



2025-26 LCFF Funding Factors

Base Grants

Provided by grade span—grades:

- TK-3
- 4-6
- 7-8
- 9-12

**COLA—
2.30%**

LCFF base grants are increased by statutory COLA—*an increase in funding per student, NOT total funding*

Grade Span Adjustments (GSAs)

Two GSAs are applied as percentage increases to the base grants:

- TK-3—10.4%
- 9-12—2.6%

Supplemental and Concentration (S/C) Grants

Calculated based on the unduplicated pupil percentage (UPP)

Unduplicated Pupil Percentage

LEA's enrolled students who are English learners, free or reduced-price meals program eligible, or foster youth

2025-26 School District and Charter School LCFF

Grade Span	TK-3	4-6	7-8	9-12
2024-25 Base Grant per ADA	\$10,025	\$10,177	\$10,478	\$12,144
2.30% COLA	\$231	\$234	\$241	\$279
2025-26 Base Grant per ADA	\$10,256	\$10,411	\$10,719	\$12,423
GSA	\$1,067	—	—	\$323
2025-26 Adjusted Base Grant per ADA	\$11,323	\$10,411	\$10,719	\$12,746
20% Supplemental Grant per ADA ¹	\$2,265	\$2,082	\$2,144	\$2,549
65% Concentration Grant per ADA ²	\$3,312	\$3,045	\$3,135	\$3,728
TK Add-On per ADA (inclusive of COLA)	\$5,545 ³	—	—	—

¹Maximum amount per ADA—to arrive at LEA’s grant amount, multiply adjusted base grant per ADA by 20% and UPP

²Maximum amount per ADA—to arrive at LEA’s grant amount, multiply adjusted base grant per ADA by 65% and UPP above 55%

³Inclusive of an additional \$2,397 for the student-to-adult ratio reduction from 12:1 to 10:1

LCFF Revenue 2025-26

Cotati-Rohnert Park Unified (73882) - 25-26 Budget				v.26.1c		CY	
LOCAL CONTROL FUNDING FORMULA							2025-26
LCFF ENTITLEMENT CALCULATION							
		COLA & Augmentation		Base Grant Proration	Unduplicated Pupil Percentage		
Calculation Factors		2.30%		0.00%	53.47%	53.47%	
		Current Year					
		ADA	Base	Grade Span	Supplemental	Concentration	Total
Grades TK-3		1,883.50	\$ 10,256	\$ 1,067	\$ 1,211	\$ -	\$ 23,607,567
Grades 4-6		1,340.07	10,411		1,113	-	15,443,439
Grades 7-8		895.41	10,719		1,146	-	10,624,299
Grades 9-12		2,089.21	12,423	323	1,363	-	29,476,784
Subtract Necessary Small School ADA and Funding		-	-	-			-
Total Base, Supplemental, and Concentration Grant			\$ 68,820,801	\$ 2,684,510	\$ 7,646,778	\$ -	\$ 79,152,089
NSS Allowance			-				-
TOTAL BASE		6,208.19	\$ 68,820,801	\$ 2,684,510	\$ 7,646,778	\$ -	\$ 79,152,089
ADD ONS:							
Targeted Instructional Improvement Block Grant							\$ 502,003
Home-to-School Transportation (COLA added commencing 2023-24)							766,471
Small School District Bus Replacement Program (COLA added commencing 2023-24)							-
Transitional Kindergarten (Commencing 2022-23)		TK ADA	284.58	TK Add-on rate	\$ 4,346.00		1,236,785
ECONOMIC RECOVERY TARGET PAYMENT							-
LCFF Entitlement Before Adjustments							\$ 81,657,348
Miscellaneous Adjustments							-
ADJUSTED LCFF ENTITLEMENT							\$ 81,657,348



General Fund 2025-26

Revenue Budget

DESCRIPTION	Unrestricted	Combined
General Purpose (LCFF) Revenue	\$81,657,348	\$83,040,453
Federal Revenue	\$0	\$2,917,537
Other State Revenue	\$2,384,640	\$11,486,185
Other Local Revenue	\$3,866,686	\$8,957,671
TOTAL	\$87,908,674	\$106,401,846

General Purpose –
Property taxes, basic state
aide, and education
protection account funds

Federal – District must
follow specific grant
guidelines (Title I, Title
II, ESSER etc.)

Other State – State
funds not part of State Aid
(Lottery, Special
Education, Mandate etc.)

Local – Funds received
from local sources (Parcel
Tax, Casino Funds,
Foundation support, PTSA
support, Interest, etc.)



General Fund Expenditures

- Reflects General Fund only (no Cafeteria, Bonds, Capital Facilities)
- Employee costs comprise approximately 86% of the Districts unrestricted budget

DESCRIPTION	UNRESTRICTED	COMBINED
Certificated Salaries	25,524,227	\$35,696,467
Classified Salaries	7,003,992	\$13,498,312
Certificated & Classified Management Sals	4,701,450	\$7,458,586
Benefits (Payroll Taxes and Health & Welfare Contributions)	19,490,220	\$32,610,634
Books and Supplies	770,836	\$2,204,358
Other Services & Oper.	8,851,514	\$19,503,776
Transfer for County Served Students	20,000	\$20,000
Equipment > \$5,000	0	\$0
Indirect Costs	(453,585)	\$0
TOTAL	65,908,654	\$110,992,133

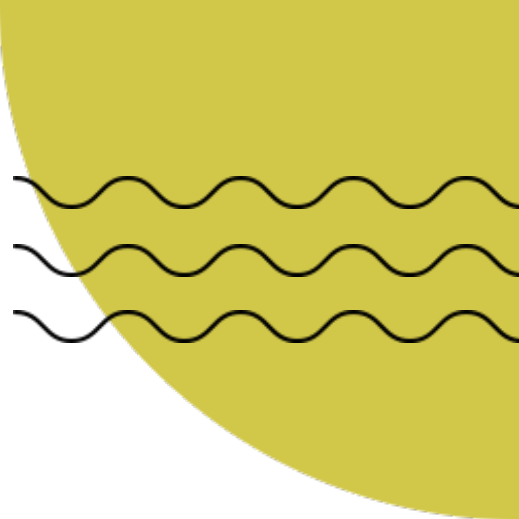


Unrestricted Funds to Restricted Programs

CRPUSD Contributions to Restricted	Amount
Special Ed IDEA	20,618,026
Routine Restricted Maintenance	2,228,340
Total Contributions	22,846,366



Budget Adoption General Fund Summary



CRPUSD Budget Adoption 2025-26			
Description	Unrestricted	Restricted	Total
Total Revenues	87,908,674	18,493,172	106,401,846
Total Expenditures	65,908,654	45,083,479	110,992,133
Excess/(Deficiency)	22,000,020	(26,590,307)	(4,590,287)
Transfer to RRMA & SpEd	(22,846,366)	22,846,366	0
Transfer from FD 40 to RRMA		1,000,000	1,000,000
Net Increase/(Decrease)	(846,346)	(2,743,941)	(3,590,287)
Beginning Fund Balance	2,776,343	6,649,732	9,426,075
FD 01 Ending Fund Balance	1,929,997	3,905,791	5,835,788
FD 17 Special Reserve	3,871,938		
Reserve Percentage	5%		



2023-24 Average Reserve Levels

- The latest statewide data on school district reserves available is for 2023-24
 - Despite an 8.22% COLA for 2023-24, reserve levels remain largely flat
 - This is likely due to declining enrollment

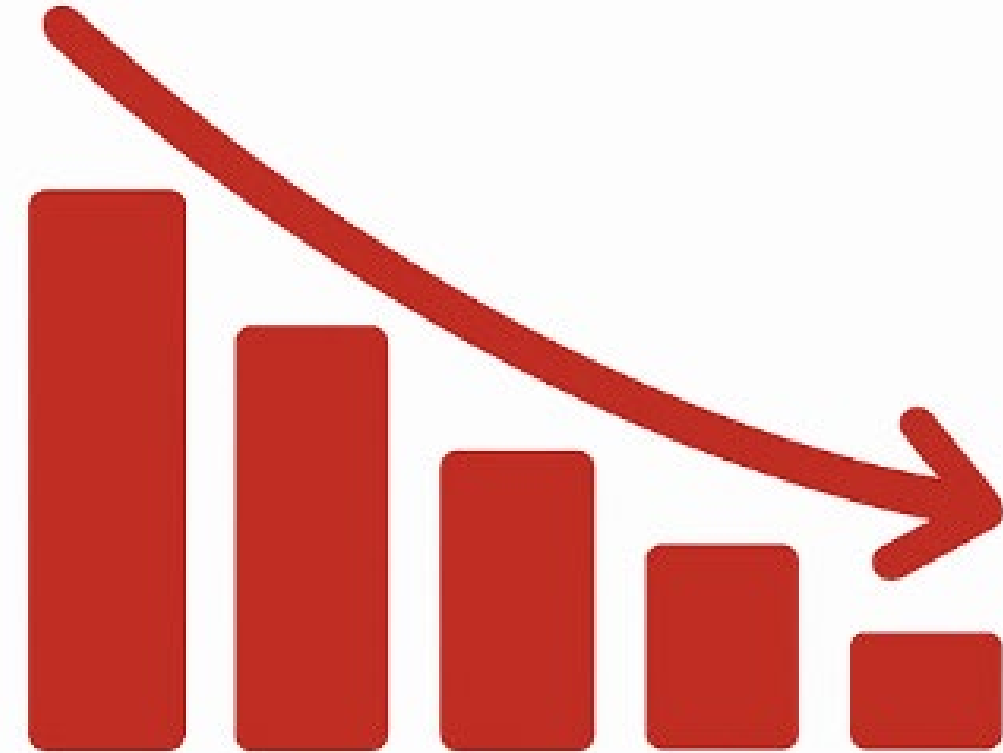
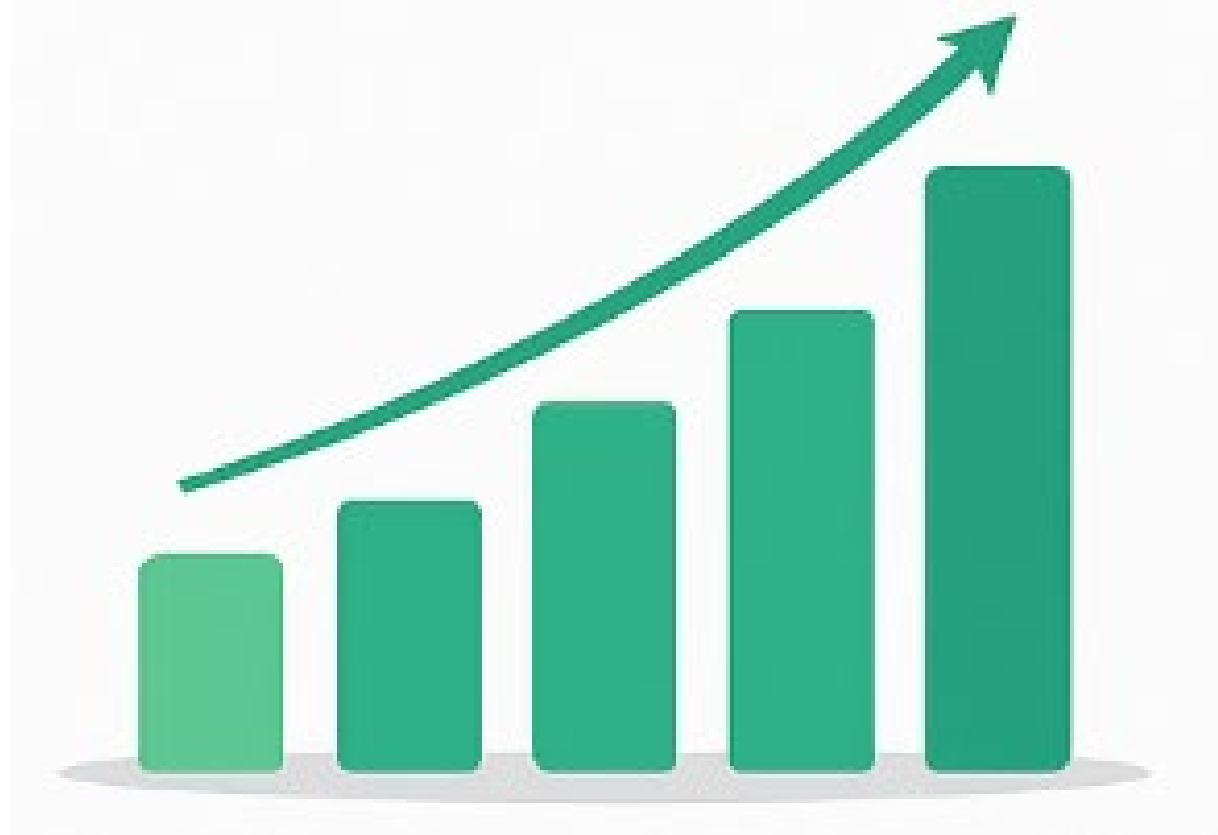
Average Unrestricted General Fund, Plus Fund 17, Ending Balances¹

By District Type	2022-23	2023-24	By District Size	2023-24
Unified	23.74%	24.36%	Less than 1,000 ADA	41.91%
Elementary	25.55%	25.54%	1,001 to 5,000 ADA	25.36%
High	22.94%	24.40%	5,001 to 10,000 ADA	22.14%
			Greater than 10,001	24.29%

¹As a percentage of total General Fund expenditures, transfers, and other uses

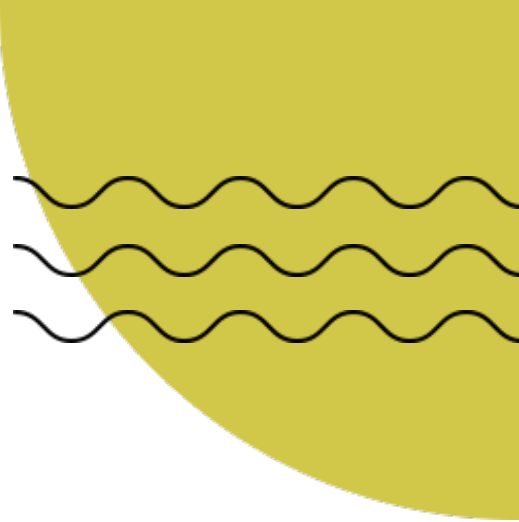
Multiyear Projections

- Multiyear projections (MYPs) are the result of mathematical calculations for future years based on the following:
 - Industry standard economic assumptions
 - Locally calculated data point estimates
 - Decisions that have already been made



- MYPs are not:
 - Predictions or forecasts
 - Crystal balls
 - Measuring sticks for “wrongness”

Summary Budget Adoption Multi-Year Projection(MYP)



2025-26 Budget Adoption Multi-Year Projection (Unrestricted General Fund)			
Description	2025-26 Budget	Projected 2026-27	Projected 2027-28
Total Revenues	87,908,674	91,022,787	94,080,610
Total Expenditures	65,908,654	67,450,514	68,903,322
Excess/(Deficiency)	22,000,020	23,572,273	25,177,288
Transfer to RRMA & SpEd	(22,846,366)	(23,966,310)	(25,104,854)
Surplus/(Deficit) (Total Rev - Total Exp)	(846,346)	(394,037)	72,434
Add: Beginning Fund Balance	2,776,343	1,929,997	1,535,960
FD 01 Unrestricted Ending Fund Balance	1,929,997	1,535,960	1,608,394
Special Reserve - Fund 17	3,871,938	3,971,938	4,011,938
AB 1200 Reserve Percentage	5%	5%	5%

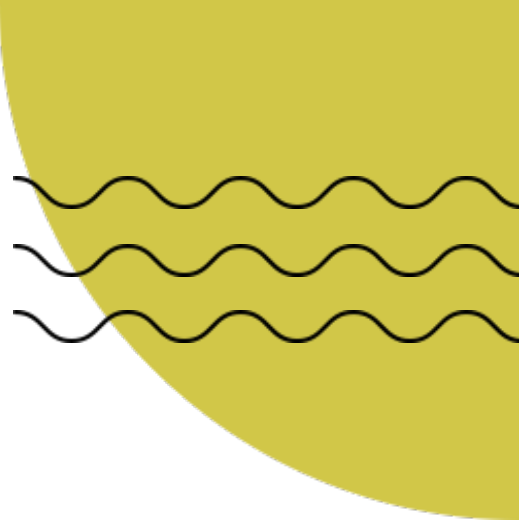


Areas of Financial Concern

- . Enrollment/ADA trends
- . Future impact of STRS/PERS
- . Future technology needs
- . Increases in general cost of doing business
- . Containing Special Education costs
- . Compensation cost pressures
- . Expiring one-time funds



Budget Adoption Approval



- . The Budget Adoption projection indicates that the Cotati Rohnert Park Unified School District is projected to meet the required 3% reserve for economic uncertainties for the budget year and one subsequent year*
- . Staff recommends that the Board adopt the 202526 budget as presented*



Questions?



