



2026-27

# Adopted Budget

**COTATI-ROHNERTPARK UNIFIED SCHOOL DISTRICT**

**PRESENTATION**

**DATE 6/9/26**

# Proposed Budget 2026-27

- 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 23, 2026



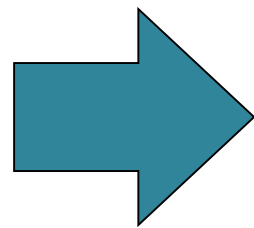
# Proposed Budget 2026-27

- The Proposed Budget for 2026-27 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 2026-27 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 2026 -27 which could potentially provide additional funding and/or reduce expenditures for schools

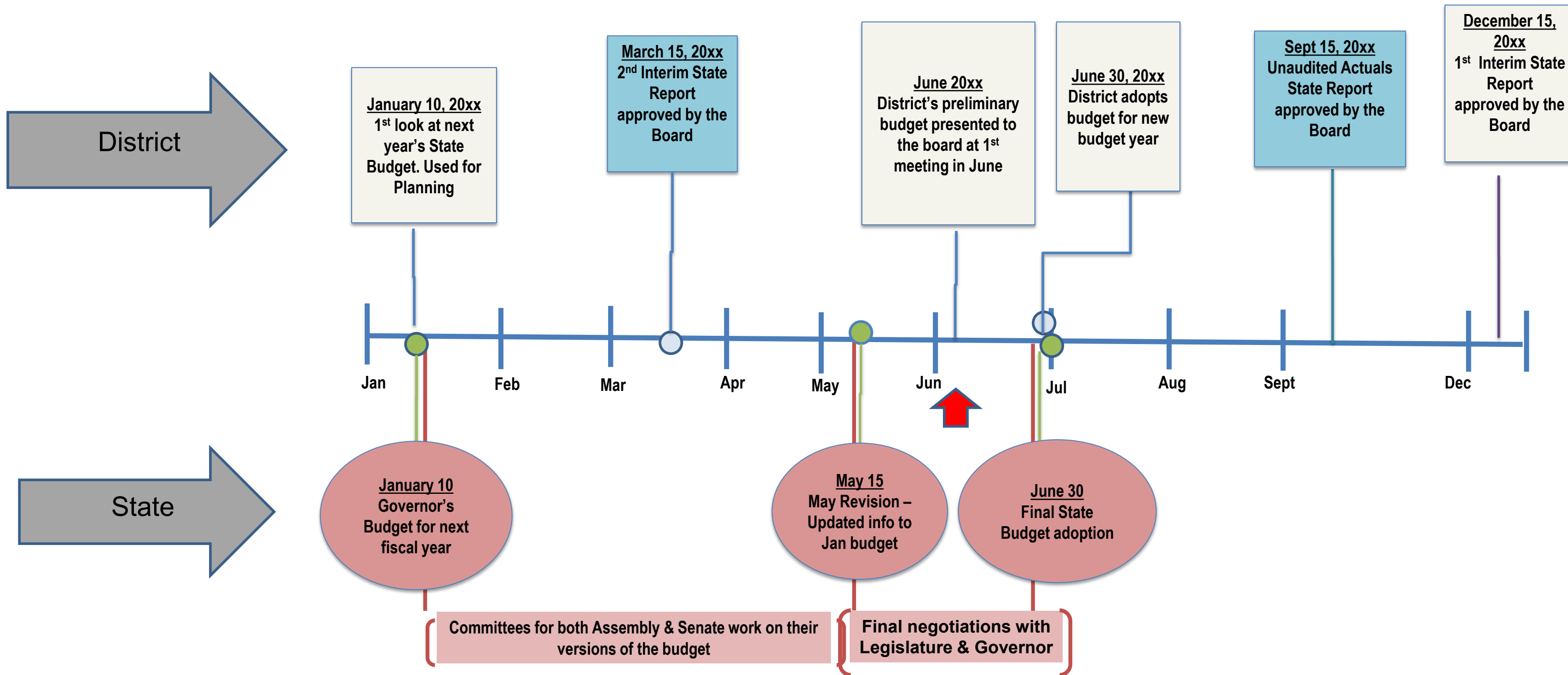


# State Budget Process

- 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 2026-27 May Revision

- **Governor Gavin Newsom's May Revision:**

Projects significant personal income tax (PIT) growth fueled by capital gains in the current year and moderating in the budget year

- This eliminates projected ongoing deficits while providing budget stability that will last after he leaves office, if his forecast holds

Shores up existing programs instead of creating new ones and provides significant one-time discretionary fund preparing education for a rainy day

Proposes a new benefit to local educational agency (LEA) employees of paid pregnancy disability leave (PPDL), which he proposes to fund through the Local Control Funding Formula (LCFF)

Provides an historic increase to special education funding that surpasses the statewide equalized funding rate proposed in January

Continues his plan to under appropriate the Proposition 98 minimum guarantee to the tune of \$3.9 billion

# Proposition 98



**The Proposition 98 minimum guarantee is up more than \$6 billion over the three-year budget window**

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**The May Revision provides significant increases in ongoing and one-time resources to LEAs**

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**The statutory cost-of-living adjustment (COLA) is fully funded at 2.87% and an additional 1.44% increase is provided, but does not apply to all programs and comes with new spending requirements**

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**Despite increased revenue, the May Revision continues to under appropriate the 2025-26 minimum guarantee by \$3.9 billion**

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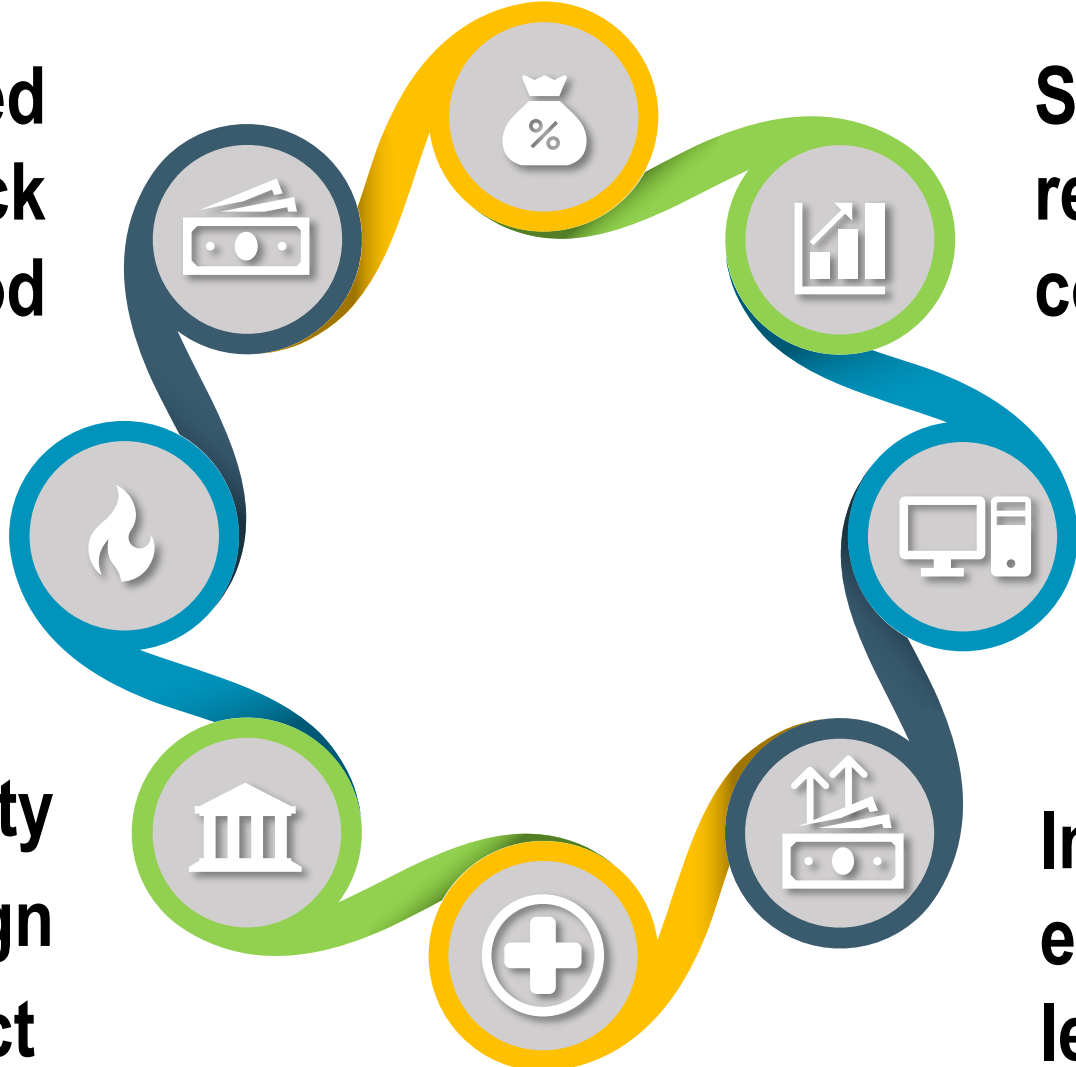
# Risks to the Economy and the State Budget

Uncertainty remains regarding future economic conditions and the potential impact of proposed tax initiatives on taxpayer behavior and revenue stability

Budget solutions rely on continued economic growth and moderation in stock market growth over the forecast period

Insurance market instability, wildfire recovery costs, and potential climate-related disasters

Federal policymaking uncertainty related to immigration, foreign trade, and geopolitical conflict



Structural deficits persist despite strong revenue growth and improved tax collections

Greater dependence on technology and financial markets increases volatility risk for state revenue

Inflation volatility due to tariffs, rising energy costs, and the Fed's leadership transition

Medi-Cal costs and caseload pressures, along with reduced federal Medicaid spending

# Additional LCFF Investment

- COLA is intended to maintain purchasing power and allow LEAs to keep up with increased costs (inflation)
  - Though COLA is usually not sufficient to keep pace with rising costs
- In the past, when revenues have increased more than previously projected, the state has provided augmented COLAs to further assist LEAs
- However, the May Revision is the first time that these additional dollars have come with an added mandate that will increase costs for LEAs—PPDL

2026-27  
Statutory COLA

2.87%

Additional LCFF  
Investment

1.44%

Total Augmented  
COLA

4.31%

# Key Budget Assumptions

- Department of Finance COLA funding assumptions
- Step and Column movement cost increases 1.5% annually
- Kaiser H&W cost increase of 0.5%, Anthem Blue Cross PPO H&W increase of 8% for 2026-27, 4% for both in subsequent years
- Assumed STRS & PERS costs using current projected rates
- Funded Average Daily Attendance (ADA) projected at 6,088.55 for 2026-27
- Funded ADA for 2027-28 of 6,088.55 (prior-year ADA for 2026-27)
- Funded ADA for 2028-29 of 6,069.44 (current projected ADA for 2028-29)
- Restore furlough days and rollback the reduction in employer-paid health benefit contributions, returning the employer share for dental, vision, and life insurance from 80% to 90% for all affected bargaining groups in 2027-28



# Components: Funding Factors

## Planning Factors for 2026-27 and MYPs

	2025-26	2026-27	2027-28	2028-29
<b>Statutory COLA</b>	2.30%	2.87%	3.30%	3.09%
<b>COLA Investment</b>	0.00%	1.44%	0.00%	0.00%
<b>Funded LCFF Cola</b>	2.30%	4.31%	3.30%	3.09%
<b>STRS Employer Rates</b>	19.10%	19.10%	19.10%	19.10%
<b>PERS Employer Rates</b>	26.81%	26.40%	26.80%	25.90%
<b>Lottery per ADA</b>				
<b>Unrestricted</b>	\$ 190.00	\$ 190.00	\$ 190.00	\$ 190.00
<b>Restricted</b>	\$ 82.00	\$ 82.00	\$ 82.00	\$ 82.00
<b>Mandated Block Grant for Districts</b>				
<b>K-8 per ADA</b>	\$ 39.09	\$ 40.41	\$ 41.74	\$ 43.03
<b>9-12 per ADA</b>	\$ 76.48	\$ 79.27	\$ 81.89	\$ 84.42
<b>Routine Restricted Maintenance</b>	Minimum of 3% of total GF expenditures (based on actual expenditures)			
<b>Est. Funded ADA</b>	5,967.80	6,088.55	6,088.55	6,069.44
<b>District Enrollment</b>	6,370	6,469	6,426	6,426
<b>Unduplicated Pupil Count %</b>	52.74%	53.63%	52.82%	52.89%
<b># of Positions 2026-27 Budget Adoption</b>	<b>RPCEA 366.7FTE</b>	<b>SEIU 166.95 FTE</b>	<b>CSEA 92.3125 FTE</b>	<b>Non-Rep 75.50 FTE</b>

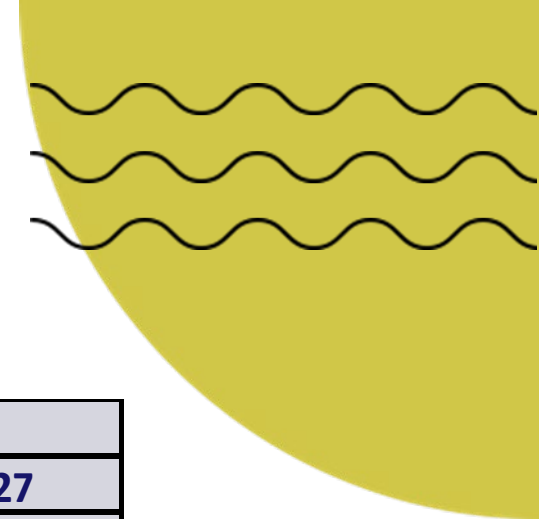


# 2026-27 LCFF Funding Factors

Grade Span	TK-3	4-6	7-8	9-12
2025-26 Base Grant per ADA	\$10,256	\$10,411	\$10,719	\$12,423
Statutory COLA—2.87%	\$294	\$299	\$308	\$357
Additional LCFF Investment—1.44% <sup>1</sup>	\$148	\$150	\$154	\$179
2026-27 Base Grant per ADA	\$10,698	\$10,860	\$11,181	\$12,959
GSA	\$1,113	-	-	\$337
2026-27 Adjusted Base Grant per ADA	\$11,811	\$10,860	\$11,181	\$13,296
20% Supplemental Grant per ADA <sup>2</sup>	\$2,362	\$2,172	\$2,236	\$2,659
65% Concentration Grant per ADA <sup>3</sup>	\$3,455	\$3,177	\$3,270	\$3,889
<b>TK Add-on per ADA (inclusive of statutory COLA)</b>	<b>\$5,704</b>			

<sup>1</sup>Intended to offset rising costs and declining enrollment impacts, as well as absorb costs of new PPDL requirement  
<sup>2</sup>Maximum amount per ADA—to arrive at LEA’s grant amount, multiply adjusted base grant per ADA by 20% and UPP  
<sup>3</sup>Maximum amount per ADA—to arrive at LEA’s grant amount, multiply adjusted base grant per ADA by 65% and UPP above 55%

# LCFF Revenue 2026-27

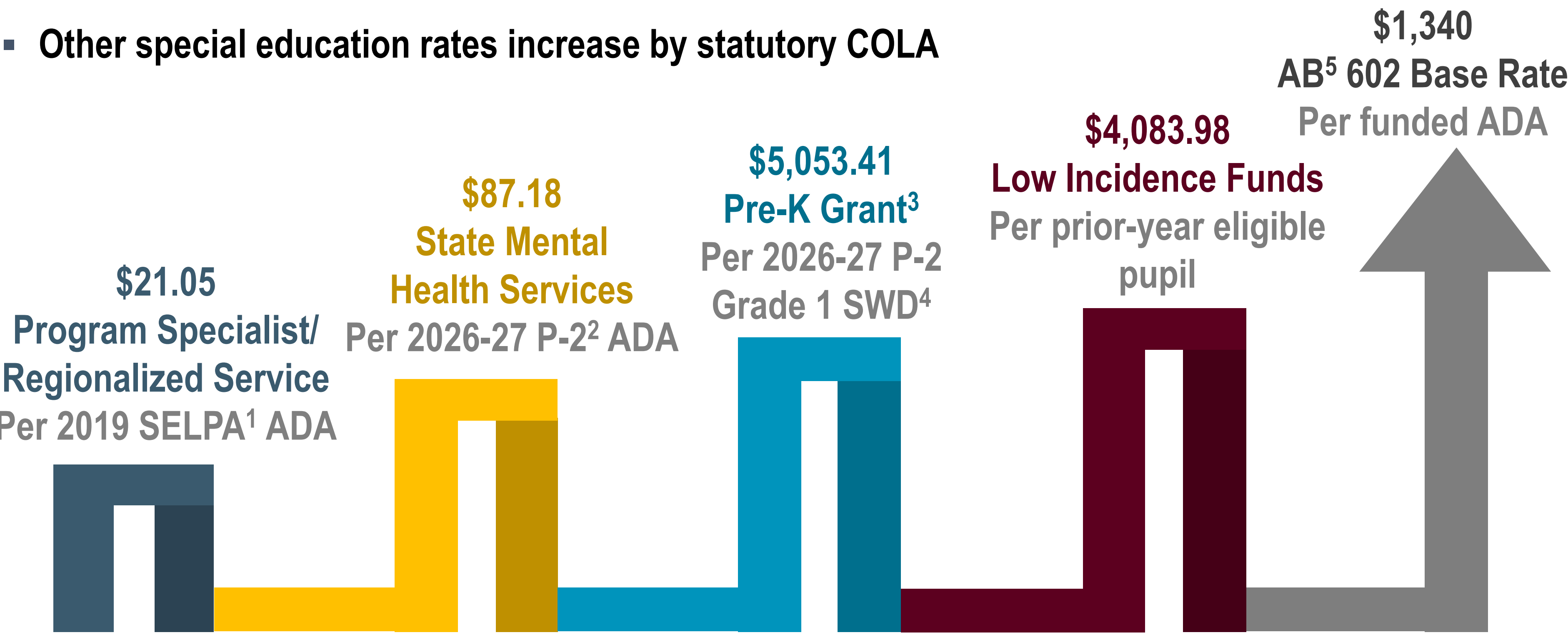


Cotati-Rohnert Park Unified (73882)		v27.1b		CY			
LOCAL CONTROL FUNDING FORMULA		2026-27					
LCFF ENTITLEMENT CALCULATION							
		COLA & Augmentation		Base Grant Proration	Unduplicated Pupil Percentage		
Calculation Factors		4.31%		0.00%	53.63%	53.63%	
		Current Year					
		ADA	Base	Grade Span	Supplemental	Concentration	Total
Grades TK-3		1,851.35	\$ 10,698	\$ 1,113	\$ 1,267	\$ -	\$ 24,211,674
Grades 4-6		1,291.00	10,860		1,165	-	15,524,073
Grades 7-8		929.54	11,181		1,199	-	11,507,960
Grades 9-12		2,016.66	12,958	337	1,426	-	29,687,296
Subtract Necessary Small School ADA and Funding		-	-	-			-
<b>Total Base, Supplemental, and Concentration Grant</b>			\$ 70,351,069	\$ 2,740,168	\$ 7,839,766	\$ -	\$ 80,931,003
NSS Allowance			-				-
<b>TOTAL BASE</b>		6,088.55	\$ 70,351,069	\$ 2,740,168	\$ 7,839,766	\$ -	\$ 80,931,003
<b>ADD ONS:</b>							
Targeted Instructional Improvement Block Grant							\$ 502,003
Home-to-School Transportation (COLA added commencing 2023-24)							788,469
Small School District Bus Replacement Program (COLA added commencing 2023-24)							-
Transitional Kindergarten (Commencing 2022-23)		TK ADA	305.00	TK Add-on rate	\$ 5,704.00		1,739,720
<b>ECONOMIC RECOVERY TARGET PAYMENT</b>							-
<b>LCFF Entitlement Before Adjustments</b>							\$ 83,961,195
Miscellaneous Adjustments							-
<b>ADJUSTED LCFF ENTITLEMENT</b>							\$ 83,961,195
Local Revenue (including RDA)							(34,122,527)
<b>Gross State Aid</b>							\$ 49,838,668
Education Protection Account Entitlement							(1,217,710)
<b>Net State Aid</b>							\$ 48,620,958



# Special Education Rate Increases

- Special education base rate to receive historic additional investment of over \$2.3 billion
- Other special education rates increase by statutory COLA



<sup>1</sup>Special Education Local Plan Area; <sup>2</sup>Second Principal Apportionment; <sup>3</sup>Early Intervention Preschool Grant; <sup>4</sup>Students with disabilities; <sup>5</sup>Assembly Bill

# Student Support and Professional Development Discretionary Block Grant

## Funding

May Revision increases the total state investment to \$5.0 billion one-time

- Proposal distributes the grant on a per-ADA basis, using 2025-26 P-2 data
- Funding allocated to COEs, school districts, charter schools, and state special schools
- **SSC estimates \$936.98 per ADA, if distributed per ADA**
- June 30, 2030, expenditure deadline

## Allowable Uses

Fully discretionary with certain statewide priorities highlighted for use of the funds

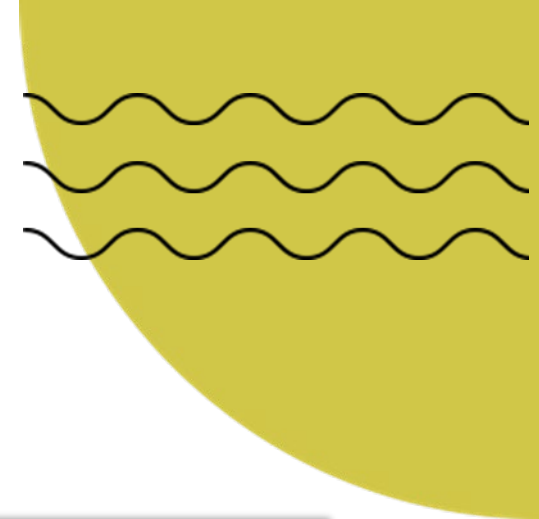
- Professional development
- Dual enrollment and career pathways
- Teacher recruitment and retention
- Rising costs

## CAUTION

The total state investment may change

- The Legislature has suggested other methodologies for allocating the funds, such as including UPP in the formula
- The Legislature has also suggested restricting the use of at least some of the funds

# General Fund 2026-27 Revenue Budget



DESCRIPTION	Unrestricted	Combined
General Purpose (LCFF) Revenue	\$83,961,195	\$85,473,020
Federal Revenue	\$0	\$3,080,242
Other State Revenue	\$2,555,490	\$16,997,600
Other Local Revenue	\$3,721,670	\$10,879,219
<b>TOTAL</b>	<b>\$90,238,355</b>	<b>\$116,430,081</b>

**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.)



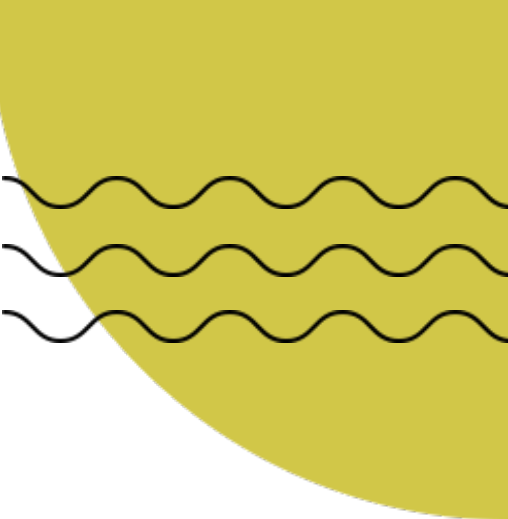
# General Fund Expenditures

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

DESCRIPTION	UNRESTRICTED	COMBINED
Certificated Salaries	24,415,363	\$34,878,478
Classified Salaries	6,887,268	\$13,945,803
Certificated & Classified Management Sals	4,534,886	\$7,175,844
Benefits (Payroll Taxes and Health & Welfare Contributions)	20,018,740	\$34,496,857
Books and Supplies	700,905	\$2,496,152
Other Services & Oper.	9,219,801	\$20,124,650
Transfer for County Served Students	15,000	\$15,000
Other Outgo - Transfer to MH County Pool	0	\$154,000
Indirect Costs	(560,830)	(109,052)
<b>TOTAL</b>	<b>65,231,133</b>	<b>\$113,177,732</b>



# Budget Adoption General Fund Summary



<b>CRPUSD Budget Adoption 2026-27</b>			
<b>Description</b>	<b>Unrestricted</b>	<b>Restricted</b>	<b>Total</b>
Total Revenues	90,238,355	26,191,726	116,430,081
Total Expenditures	65,231,133	47,946,599	113,177,732
Excess/(Deficiency)	25,007,222	(21,754,873)	3,252,349
Transfer to RRMA & SpEd	(22,611,301)	22,611,301	0
Transfer from FD 40 to RRMA		1,075,000	1,075,000
<b>Net Increase/(Decrease)</b>	<b>2,395,921</b>	<b>1,931,428</b>	<b>4,327,349</b>
Beginning Fund Balance	(1,445,505)	6,672,112	5,226,607
<b>FD 01 Ending Fund Balance</b>	<b>950,416</b>	<b>8,603,540</b>	<b>9,553,956</b>
<b>FD 17 Special Reserve</b>	<b>4,155,819</b>		
Reserve Percentage	4.55%		



# 2024-25 Average Reserve Levels


- The latest statewide data on school district reserves available is for 2024-25
- With the exception of high school districts, statewide reserve balances declined in 2024-25





## Average Unrestricted General Fund, Plus Fund 17, Ending Balances<sup>1</sup>

By District Type	2023-24	2024-25	By District Size	2024-25
Unified	24.36%	21.89%	Less than 1,000 ADA	41.38%
Elementary	25.54%	24.52%	1,001 to 5,000 ADA	24.48%
High	24.40%	26.13%	5,001 to 10,000 ADA	21.26%
			Greater than 10,001 ADA	21.99%

<sup>1</sup>As a percentage of total General Fund expenditures, transfers, and other uses

# Multiyear Projections

 **What MYPs<sup>1</sup> ARE**

-  **Mathematical calculations** used to estimate future-year financial conditions
-  **Based on industry-standard economic assumptions**
-  **Inclusive of locally developed data estimates**
-  **Reflections of decisions that have already been made**

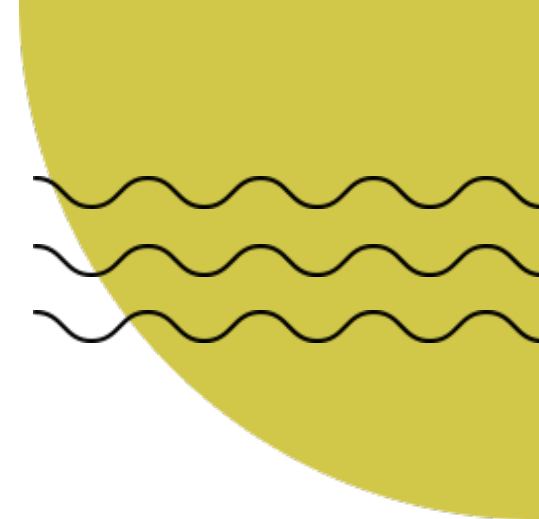
 **What MYPs ARE NOT**

-  Predictions or forecasts
-  A “crystal ball”
-  A tool for measuring “wrongness”
-  Guaranteed future outcomes

 *MYPs are planning tools designed to support informed financial decision-making*

<sup>1</sup>Multiyear Projection

# Summary Budget Adoption Multi-Year Projection(MYP)



<b>2026-27 Budget Adoption Multi-Year Projection (Unrestricted General Fund)</b>			
<b>Description</b>	<b>2026-27 Budget</b>	<b>Projected 2027-28</b>	<b>Projected 2028-29</b>
Total Revenues	90,238,355	93,105,785	95,692,774
Total Expenditures	65,231,133	67,509,590	68,955,711
Excess/(Deficiency)	25,007,222	25,596,195	26,737,063
Transfer to RRMA & SpEd	(22,611,301)	(23,708,095)	(24,764,068)
<b>Surplus/(Deficit) (Total Rev - Total Exp)</b>	<b>2,395,921</b>	<b>1,888,100</b>	<b>1,972,995</b>
Add: Beginning Fund Balance	(1,445,505)	950,416	2,838,516
<b>FD 01 Unrestricted Ending Fund Balance</b>	<b>950,416</b>	<b>2,838,516</b>	<b>4,811,511</b>
<b>Special Reserve - Fund 17</b>	<b>4,155,819</b>	<b>4,255,819</b>	<b>4,355,819</b>
AB 1200 Reserve Percentage	4.55%	6.07%	7.68%

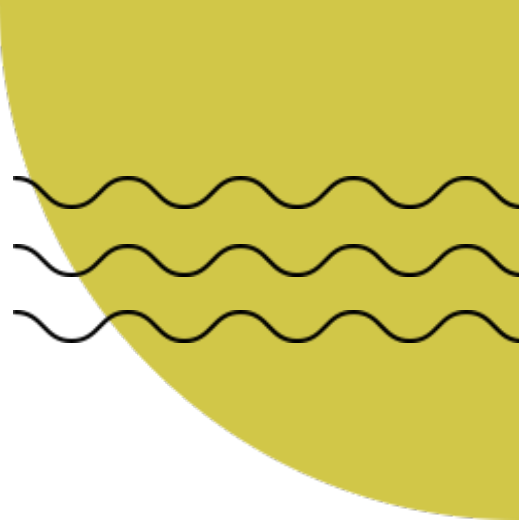


# Areas of Financial Concern

- Enrollment/ADA trends
- Increases in general cost of doing business
- Containing Special Education costs
- Compensation cost pressures
- Reliance on one-time funds for on-going needs



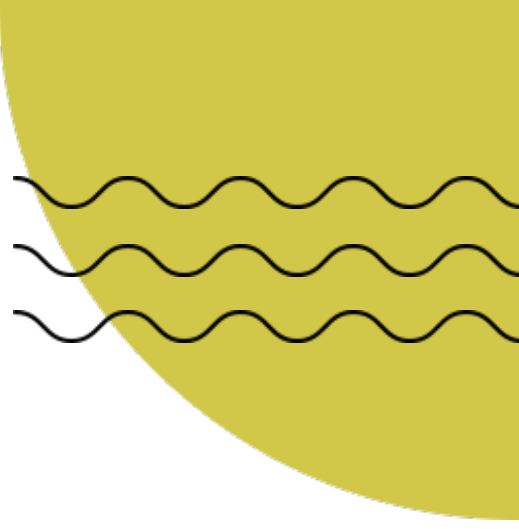
# Budget Adoption Approval



- . 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 2026-27 budget as presented*



# Questions?



CRPUSD

renew  
reengage



reimagine

reconnect