

REED UNION SCHOOL DISTRICT



Fiscal Year 2026-27

Budget for Adoption & Statement of Reserves

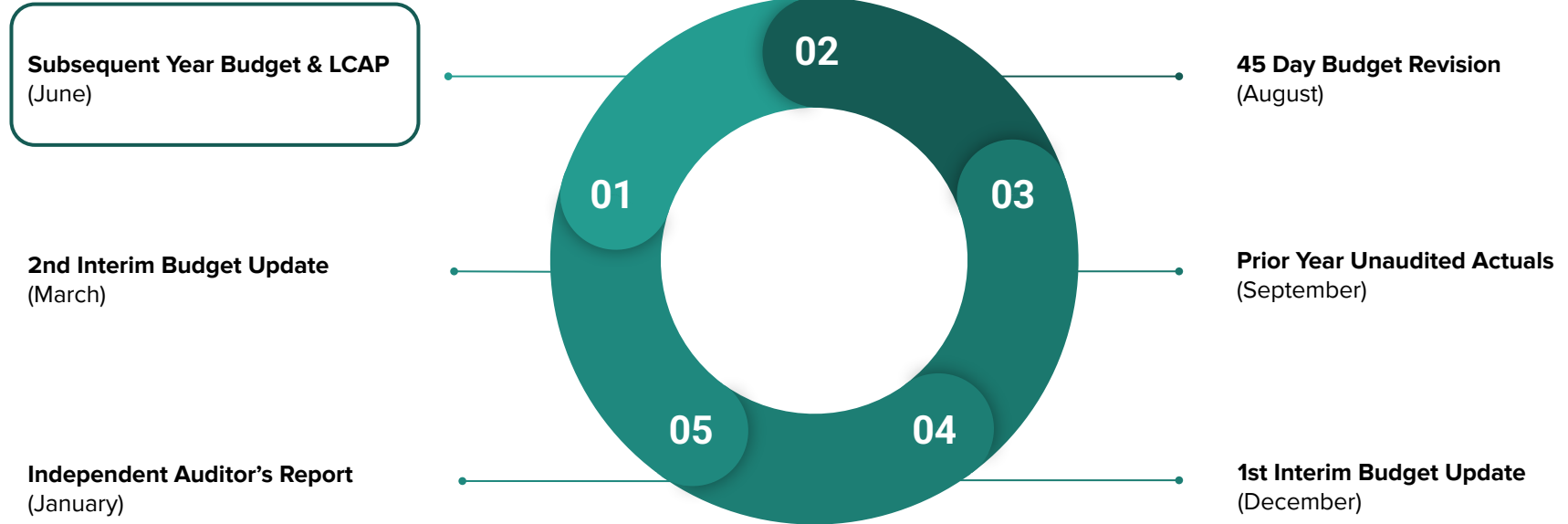
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June 2, 2026

REED UNION SCHOOL DISTRICT



REED UNION SCHOOL DISTRICT

Summary

The Reed Union School District's **FY 2026/27 budget** is presented for adoption in accordance with **Education Code sections 42127 and 42103**, which require the governing board to hold a public hearing and adopt a budget on or before July 1st.

The District's Budget for Adoption as presented is based on updated revenue and expenditure assumptions for the 2026/27 fiscal year as of May 2026 and further provides a +2 year forecast through **FY 2028/29**.

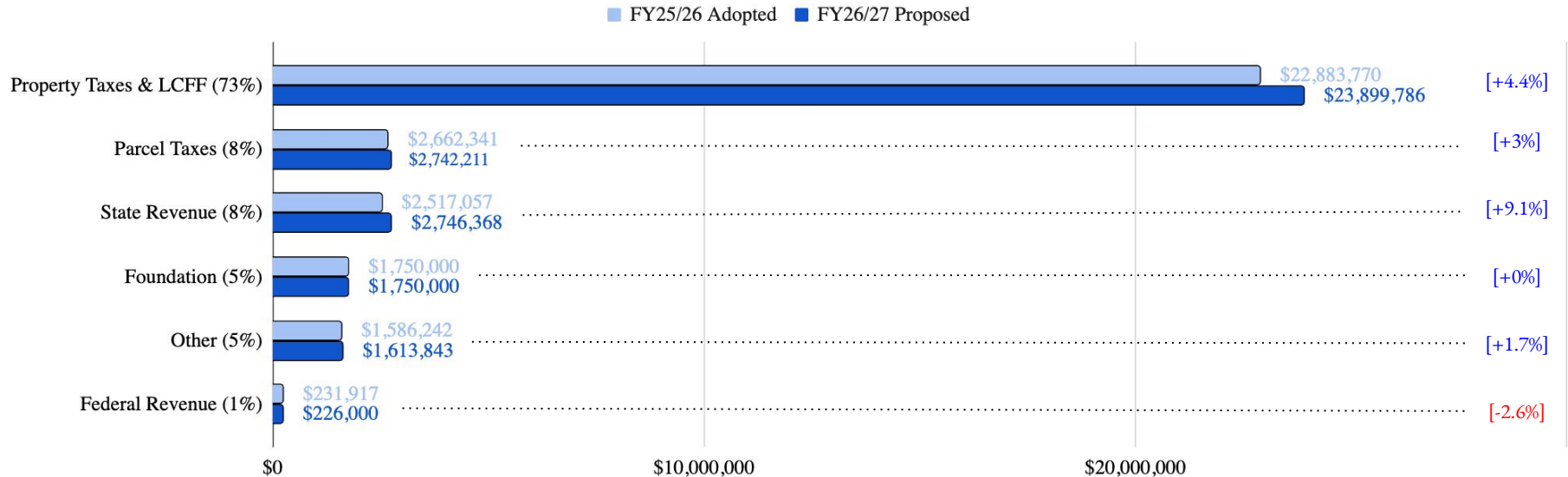
The FY 2026/27 Budget as proposed includes **total revenue** and transfers in **of \$33,488,208** and **total expenditures** and other uses **of \$34,687,114**, leading to a projected decrease in the District's general fund balance of **-\$1,198,906**. The District's Budget for Adoption outlines a projected **ending general fund balance of \$12,028,799**, and a **combined unrestricted reserve of 31.3%**.

The following presentation details the District's revenue and expenditures assumptions, variables that informed its budget and forecasting parameters, and outlines the District's reserve position, inclusive of the State required reserve, Board policy designated reserve, and restricted balances.

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FY 25/26 Working Budget (March 2026) = **\$31,631,327** → FY 26/27 Proposed Budget (June 2026) = **\$32,978,208**

Variance: **+4.3%** or **\$1,346,881** increase to budgeted revenue.

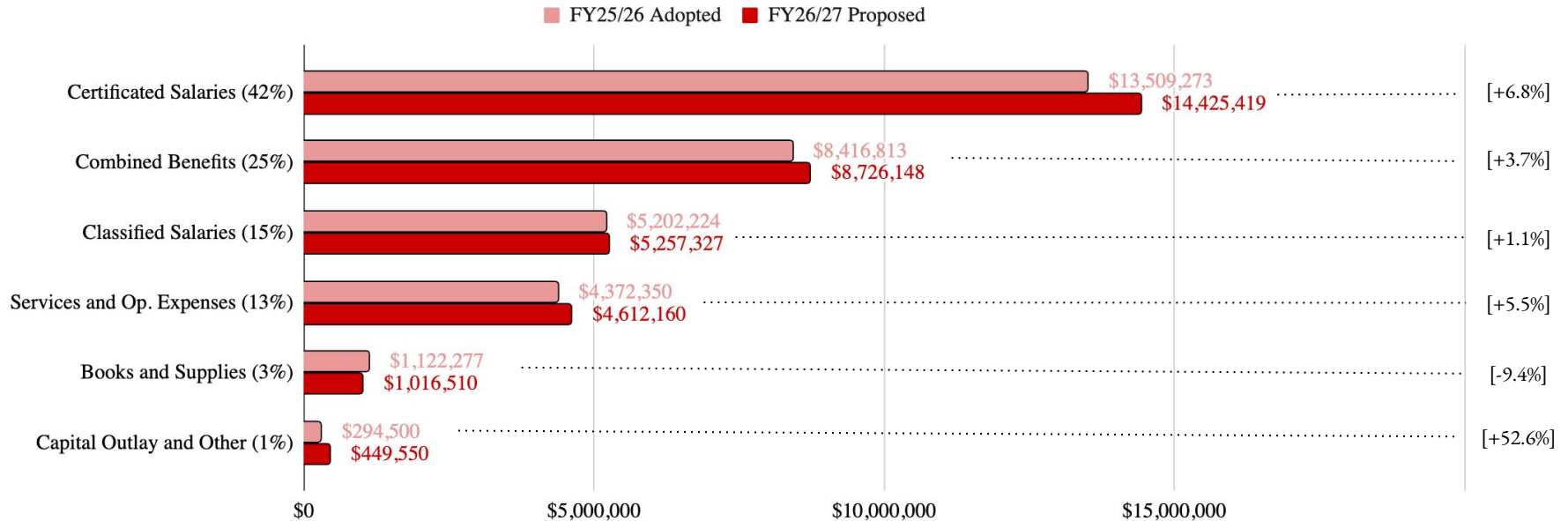


Revenue

REED UNION SCHOOL DISTRICT

FY 25/26 Working Budget (March 2026) = **\$32,917,437** → FY 26/27 Proposed Budget (June 2026) = **\$34,487,114**

Variance: **+4.8%** or **\$1,569,667** increase to budgeted expenditures.



Expenditures

REED UNION SCHOOL DISTRICT

Key Variables (Revenue):

- Secured Property Tax Growth Rate: **4%**
- Statutory Cost of Living Adjustment on State Sources of Revenue: **2.41%**
- Voter Approved Growth Rate on Parcel Tax Revenue: **3%**
- Yield on District Cash Held in County Treasury: **3.9%**
- Foundation Revenue: **\$1.75m**

Key Variables (Expenditures):

- **Certificated:** ~87 FTE + Step/Column Progression + 3% Increase (Represented) + 2.5% Increase (Non-Represented)
- **Classified:** ~51 FTE + Step/Column Progression + 3% Increase (Represented) + 2.5% Increase (Non-Represented)
- **Benefits:** SS (6.20%), SUI (0.05%), WC (0.828%), MCare (1.45%)
- **Supplies and Services:** 3.08% CA CPI - Prop 28 Year 1 Apportionment

REED UNION SCHOOL DISTRICT

Key Multi Year Projection Budgeted Variables (Revenue):

- Secured Property Tax Rates: FY 26/27 (**4%**); FY 27/28 (**3.85%**); FY 28/29 (**3.85%**)
- State Statutory COLA: FY 26/27 (**2.41%**); FY 27/28 (**3.06%**); FY 28/29 (**3.34%**)
- Parcel Tax Growth Rate remains at (**3%**)
- 10 Year Treasury Forecast: (**3.9%**) in outyears on Cash held in County Treasury
- Special Education and Transportation apportionment increases budgeted against Statutory COLA assumptions.

Key Multi Year Projection Budgeted Variables (Transfers In):

- Lease Revenue Transfer (in) from the Granada Fund: **\$510k** in FY 26/27; **\$535k** in FY 27/28; **\$546k** in FY 28/29

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Key Multi Year Projection Budgeted Variables (Expenditures):

- Salary Schedule Step and Column Increases at **3%** in FY 27/28 and FY 28/29 respectively.
- CalSTRS Contribution Rates (Certificated) remains flat at **19.1%**.
- CalPERS Contribution Rates (Classified): **26.40%** (FY 26/27); **26.8%** (FY 27/28); **25.9%** (FY 28/29)
- Statutory Benefits Rates: **6.20%** (SS), **0.05%** (SUI), **0.828%** (WC), **1.45%** (MCare)
- Health and Welfare: **4%** Increase to H&W Costs (Employee Only); Emp. +1 (\$18,100 Cap); Family (\$22,260 Cap)
- CA CPI: **3.08%** (FY 26/27); **2.75%** (FY 27/28); **2.68%** (FY 28/29)

Key Multi Year Projection Budgeted Variables (Transfers Out):

- \$200,000 CERBT Trust Investment

REED UNION SCHOOL DISTRICT

	FY2026/27 (Proposed Budget) June 2, 2026	FY2027/28 (Forecast) June 2, 2026	FY2028/29 (Forecast) June 2, 2026
A. Total Revenue	\$32,978,208	\$33,661,249	\$34,679,009
B. Total Expenditures	\$34,487,114	\$35,481,089	\$36,520,310
D. Other Financing Sources / Uses	\$710,000	\$730,000	\$746,000
E. Change in Fund Balance	-\$1,198,906	-\$1,489,840	-\$1,495,301
F. Beginning Balance	\$13,227,705	\$12,028,799	\$10,538,959
G. Ending Balance	\$12,028,799	\$10,538,959	\$9,043,658
H. Components of Ending Balance	---	---	---
1. Revolving Cash & Prepaid	\$0	\$0	\$0
2. Restricted Balances	\$1,177,921	\$534,781	\$107,516
3. Board Policy Designated	\$8,324,907	\$8,206,650	\$7,467,330
4. State Required Reserves	\$1,040,613	\$1,427,244	\$1,468,812
5. Unassigned / Unappropriated	\$1,485,357	\$370,284	\$0
<i>Unrestricted Reserve % (w/ Board Dsg.)</i>	<i>31.3%</i>	<i>28.0%</i>	<i>24.3%</i>

REED UNION SCHOOL DISTRICT

	FY2025/26 (2nd Interim)		FY2026/27 (Proposed)		FY2027/28 (Forecast)		FY2028/29 (Forecast)	
B. Expenditures								
1. Certificated Salaries	\$13,509,273	41%	\$14,425,419	42%	\$14,858,182	42%	\$15,303,927	42%
2. Classified Salaries	\$5,202,224	16%	\$5,257,327	15%	\$5,415,047	15%	\$5,577,498	15%
3. Employee Benefits	\$8,416,813	26%	\$8,726,148	25%	\$8,960,556	25%	\$9,123,782	25%
4. Books and Supplies	\$1,122,277	3%	\$1,016,510	3%	\$1,044,464	3%	\$1,172,456	3%
5. Services and Op. Expenditures	\$4,372,350	13%	\$4,612,160	13%	\$4,738,994	13%	\$4,865,999	13%
6. Capital Outlay	\$6,000	0.0%	\$0	0%	\$0	0.0%	\$0	0.0%
7. Other Outgo	\$288,500	0.9%	\$449,550	1.3%	\$463,846	1.3%	\$476,648	1.3%
Total Expenditures	\$32,917,437	100%	\$34,487,114	100%	\$35,481,089	100%	\$36,520,310	100%

Analysis: Combined % on People:

82%

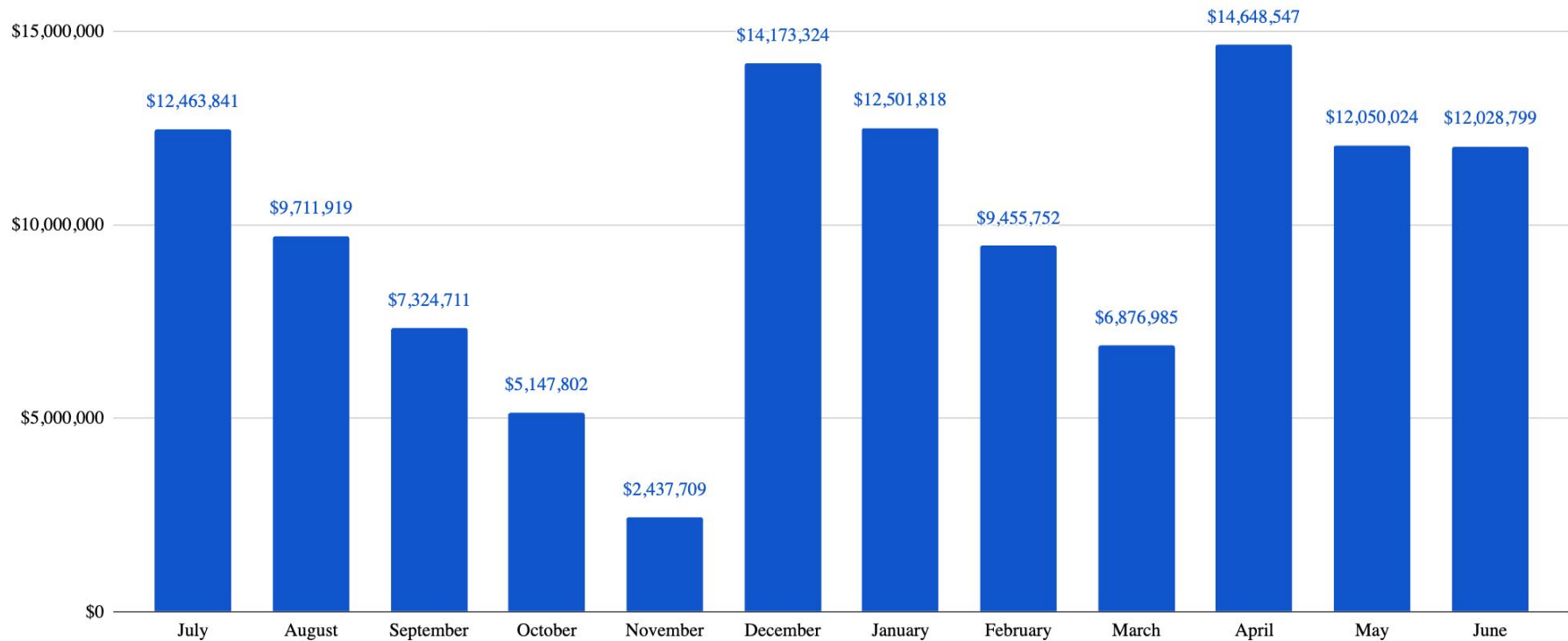
82%

82%

82%

Share of People Costs

REED UNION SCHOOL DISTRICT



FY 26/27 Ending Fund Balance Projection

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	FY2026/27 (Proposed Budget) Fund 13 Child Nutrition	FY2026/27 (Proposed Budget) Fund 14 Deferred Maintenance	FY2026/27 (Proposed Budget) Fund 25 Developer Fees	FY2026/27 (Proposed Budget) Fund 40/41 Capital Outlay Reserve
A. Revenue	\$844,100	\$0	\$62,500	\$1,065,740
B. Expenditures	\$873,905	\$0	\$26,000	\$321,750
C. Net (Before Transfers In)	-\$29,805	\$0	\$36,500	\$743,990
D. Other Financing Sources / Uses				
1. Transfers In	\$0	\$0	\$0	\$0
2. Transfers Out	\$0	\$0	\$0	-\$510,000
3. Net Contributions	\$0	\$0	\$0	\$0
Total Other Financing Sources / Uses	\$0	\$0	\$0	-\$510,000
E. Change in Fund Balance	-\$29,805	\$0	\$36,500	\$233,990
F. Estimated Beginning Balance as of July 1, 2026	\$209,472	\$4,419	\$7,370	\$3,030,291
G. Estimated Ending Balance as of June 30, 2027	\$179,667	\$4,419	\$43,870	\$3,264,281

OTHER FUNDS

REED UNION SCHOOL DISTRICT

Jun	FY 2026/27 Budget & LCAP	FY 2026/27 Budget Presentation → Public Hearing
Jun	FY 2026/27 Budget, EPA, TAN	- FY 2026/27 Budget Adoption (June 8) - Education Protection Account - Tax Anticipation Note
Sep	FY 2025/26 (Unaudited Actuals)	Prior Year Unaudited Actuals (updates beg. balances)
Dec	FY 2026/27 1st Interim	FY 2026/27 Budget Revisions

Next Steps