

2025-2026 Point Arena Schools Second Interim Budget

Board Meeting Date: March 11, 2026

Point Arena Schools 2025-2026 Second Interim Revenues

		First Interim (Dec. 2025)	Second Interim (Mar. 2026)	Variance
Revenues				
	Taxes	8,721,820	8,721,820	-
	Charter Cash in Lieu	(659,299)	(659,299)	-
	LCFF/EPA	772,721	772,721	-
	Federal Revenue	457,436	457,436	-
	State Revenue	1,159,957	1,159,957	-
	Local Revenue	436,043	577,407	141,364
	Transfers In	50,000	50,000	-
Total Revenues		10,938,678	11,080,042	141,364

+1.29%

Variance Explanations (Second Interim vs. First Interim):

- Local Revenue (+32.42%): one-time SIGNAL return of net equity (+31k), higher Medi-Cal (+30k), SELPA revenue estimate update (+80k).

Overall – Total Estimated Revenues increased by ~\$141k (1.29%) since the First Interim Budget Update.

**Note: the contents of this slide contain projected information, which are estimates at the time of preparation and subject to change based on future events and updates.*

Point Arena Schools 2025-2026 Second Interim Expenditures

	First Interim (Dec. 2025)	Second Interim (Mar. 2026)	Variance
Expenses			
Certificated Salaries	3,001,313	3,038,579	37,266
Classified Salaries	2,301,507	2,321,434	19,927
Employee Benefits	2,996,097	2,997,152	1,055
Books/Supplies	683,380	794,008	110,628
Services & Operations	1,628,543	1,738,543	110,000
Capital Outlay	-	-	-
Other Outgo	-	-	-
Transfers Out	435,333	320,333	(115,000)
Total Expenses	11,046,173	11,210,049	163,876

+1.48%

Variance Explanations (Second Interim vs. First Interim):

- Certificated Salaries (+1.24%): Plus additional duty & sub duty estimates (+41k); other employee mid-year updates (-4k).
- Classified Salaries (+0.87%): Plus additional duty & sub duty estimates (+20k); and other employee mid-year updates (-1k).
- Employee Benefits (+0.035%): Fluctuation is in tandem with salary and position changes (+1k).
- Supplies (+16.19%): Higher curricula (+12k); maintenance (+32k); side-by-side vehicle (+25k); athletics (+10k); CTE (+25k); media arts (+6k).
- Services/Ops (+6.76%): Higher athletics (+5k); sports fields (+30k); CTE (+40k); net of MCOE direct services for Registered Behavioral Technician, Speech, Psychologist, and Nurse (+35k).
- Transfers Out (-26.42%): deducted estimated transfer out Deferred Maintenance (-60k), Technology (-50k), and Facilities (-5k).

Overall – Total Estimated Expenses increased by ~\$164k (+1.48%) since the First Interim Budget Update.

**Note: the contents of this slide contain projected information, which are estimates at the time of preparation and subject to change based on future events and updates.*

Point Arena Schools 2025-2026 Second Interim and Multi-year Projection

	First Interim (Dec. 2025)	Second Interim (Mar. 2026)	Multi-Year	
			2026-2027	2027-2028
Revenues				
Taxes	8,721,820	8,721,820	8,939,866	9,163,362
Charter Cash in Lieu	(659,299)	(659,299)	(675,781)	(692,676)
LCFF/EPA	772,721	772,721	772,721	772,721
Federal Revenue	457,436	457,436	457,436	457,436
State Revenue	1,159,957	1,159,957	941,294	941,294
Local Revenue	436,043	577,407	526,259	526,259
Transfers In	50,000	50,000	30,000	30,000
Total Revenues	10,938,678	11,080,042	10,991,794	11,198,396
Expenses				
Certificated Salaries	3,001,313	3,038,579	3,190,115	3,233,108
Classified Salaries	2,301,507	2,321,434	2,343,671	2,388,981
Employee Benefits	2,996,097	2,997,152	3,079,321	3,127,086
Books/Supplies	683,380	794,008	741,548	756,379
Services & Operations	1,628,543	1,738,543	1,730,549	1,765,160
Capital Outlay	-	-	-	-
Other Outgo	-	-	-	-
Transfers Out	435,333	320,333	265,711	285,048
Total Expenses	11,046,173	11,210,049	11,350,916	11,555,763
Excess/(Deficit)	(107,495)	(130,007)	(359,122)	(357,367)
Beginning Fund Balance	2,699,501	2,699,501	2,569,494	2,210,373
Ending Fund Balance	2,592,006	2,569,494	2,210,373	1,853,006

Multi-Year Assumptions:

- Taxes: +2.5% estimate year over year.
- LCFF/EPA, State: Flat
- Federal: Flat
- State: (26-27) → less Student Support & PD Block Grant: (-105k); less LREBG addt'l (-24k); less higher than avg. ELOP (-89k).
- Local: (26-27) → less SIGNAL return of net equity (-31k); less higher than average interest (-20k).
- Transfer In: (26-27 and 27-28) → estimate \$30k/yr. of FD17 related tech purchases.
- Cert. Salaries: (26-27 and 27-28) → position adjustments & estimated step increase (~2%).
- Class. Salaries: (26-27 and 27-28) → position adjustments & estimated step increase (~3%).
- Benefits: in tandem with estimated salary changes, plus future STRS and PERS projected updates.
- Books/Supplies: (26-27) → less higher than avg. curricula (-22k) and furniture (-20k); less Maintenance vehicle (-25k); +2% for inflation; (27-28) → +2% for inflation.
- Service/Ops: (26-27) → less portion of SELF excess liability insurance (-16k); less CTE maintenance (-26k); +2% for inflation; (27-28) → +2% for inflation.
- Transfers Out: Estimated salary & benefit changes in other funds (PreK, Cafeteria).

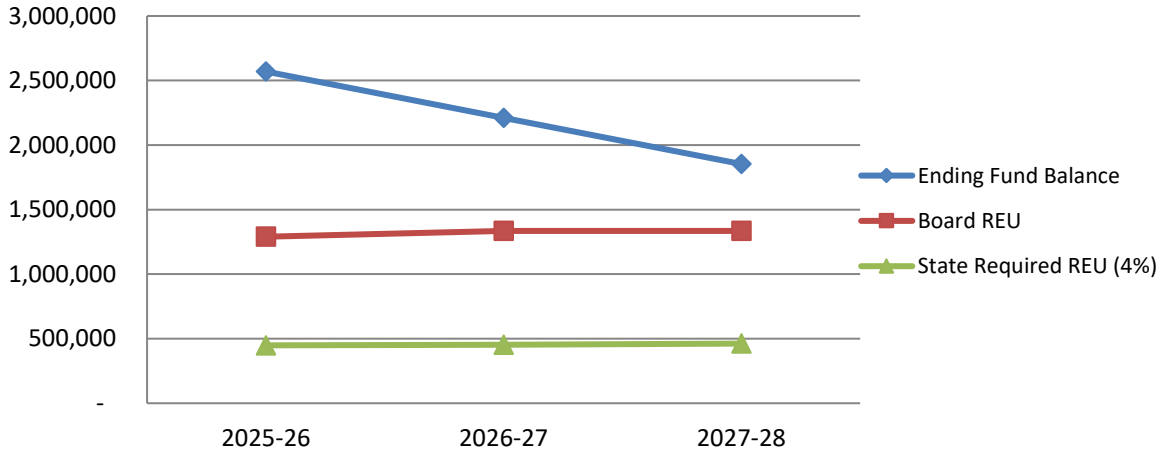
**Note: the contents of this slide contain projected information, which are estimates at the time of preparation and subject to change based on future events and updates.*

March 11, 2026 Board Meeting

Point Arena Schools 2025-2026 Second Interim & MYP Ending Fund Balance

Components of Ending Fund Balance:	First	Second	Multi-Year	
	Interim (Dec. 2025)	Interim (Mar. 2026)	2026-2027	2027-2028
Revolving Cash	3,150	3,150	3,150	3,150
Restricted	723,619	747,591	548,976	471,442
Board Reserve-Economic Uncertainty	1,290,000	1,290,000	1,335,000	1,335,000
Lottery funds Reserve	60,099	60,099	45,099	27,099
MAA GF Reserve	58,633	58,633	33,633	16,314
Legal Reserve	228,252	205,011	122,257	-
Maintenance/Transportation GF Reserve	228,252	205,011	122,257	-
Other Assigned Reserves	-	-	-	-
Unassigned/Other	0	0	0	0
	2,592,006	2,569,494	2,210,373	1,853,006

Ending Fund Balance



Board REU

2025-26 = \$1,290,000 (12%)
 2026-27 = \$1,335,000 (12%)
 2027-28 = \$1,335,000 (12%)

State Required REU (4%)

2025-26 = \$448,402
 2026-27 = \$454,037
 2027-28 = \$462,231

**Note: the contents of this slide contain projected information, which are estimates at the time of preparation and subject to change based on future events and updates.*

2025-2026 Projected Reserves at Second Interim

Substantiation of need for reserves greater than the state required minimum reserve for economic uncertainty

District: Arena Union Elementary / Point Arena Joint Union High

CDS #: 23-76349

The governing board of a school district that proposes to adopt a budget that includes a combined assigned and unassigned ending fund balance in excess of the minimum recommended reserve for economic uncertainties, shall, at the Budget Adoption public hearing, provide:

The minimum recommended reserve for economic uncertainties;

The combined assigned and unassigned ending fund balances that are in excess of the minimum recommended reserve for economic uncertainties for each fiscal year identified in the budget; and

A statement of reasons to substantiate the need for reserves that are higher than the minimum recommended reserve.

		2025-26	2026-27	2027-28
Total General Fund Expenditures & Other Uses		\$ 11,210,049	\$ 11,350,916	\$ 11,555,763
Minimum Reserve requirement	4%	\$ 448,402	\$ 454,037	\$ 462,231
General Fund Combined Ending Fund Balance		\$ 2,569,494	\$ 2,210,373	\$ 1,853,006
Special Reserve Fund Ending Fund Balance		\$ 298,869	\$ 268,869	\$ 238,869
Components of ending balance:				
Nonspendable (revolving, prepaid, etc.)		\$ 3,150	\$ 3,150	\$ 3,150
Restricted		\$ 747,591	\$ 548,976	\$ 471,442
Committed		\$ -	\$ -	\$ -
Assigned		\$ 827,623	\$ 592,116	\$ 282,283
Reserve for economic uncertainties		\$ 1,290,000	\$ 1,335,000	\$ 1,335,000
Unassigned and Unappropriated		\$ -	\$ -	\$ -
Subtotal Assigned, Unassigned & Unappropriated		\$ 2,117,623	\$ 1,927,116	\$ 1,617,283
Total Components of ending balance		\$ 2,868,363	\$ 2,479,242	\$ 2,091,875
		TRUE	TRUE	TRUE
Assigned & Unassigned balances above the minimum reserve requirement		\$ 1,669,221	\$ 1,473,079	\$ 1,155,052

Statement of Reasons

The District's Fund Balance includes assigned, unassigned and unappropriated components, that in total are greater than the Minimum Recommended Reserve for Economic Uncertainties because:

The proposed projected reserve is greater than the 4% minimum including, but not limited to, the following reasons:

- Fund 01: Reserve for Economic Uncertainty	\$ 1,290,000
- Fund 01: Lottery Funds Reserve	60,099
- Fund 01: MAA General Fund Reserve	58,633
- Fund 01: Maintenance & Transportation GF Reserve	205,011
- Fund 01: Legal Reserve	205,011
- Fund 17: STRS, PERS, and H&W Special Reserve Fund Reserve	100,500
- Fund 17: Technology Reserve	198,369
	\$0
<i>Total of Substantiated Needs</i>	
	\$ 2,117,623
Remaining Unsubstantiated Balance	
	\$ -

March 11, 2026
Board Meeting

**Note: the contents of this slide contain projected information, which are estimates at the time of preparation and subject to change based on future events and updates.*

Point Arena Schools Fund 17 Activity at 2025-26 Second Interim

FUND 17		2025-26	2025-26	
		First	Second	
		Interim	Interim	<i>Variance</i>
Beginning Balance - Technology		201,369	201,369	-
Beginning Balance - STRS & PERS		100,500	100,500	-
Total Beginning Balance		301,869	301,869	-
Revenues				
Interest		2,000	2,000	-
Transfers In - for Technology		95,000	45,000	<i>(50,000)</i>
Transfers In - for STRS & PERS		-	-	-
Total Budgeted Revenues		97,000	47,000	<i>(50,000)</i>
Expenses				
Technology equipment		50,000	50,000	-
Total Budgeted Expenses		50,000	50,000	-
Budgeted Excess/(Deficit)		47,000	(3,000)	<i>(50,000)</i>
Ending Fund Balance - Technology		248,369	198,369	<i>(50,000)</i>
Ending Fund Balance - STRS & PERS		100,500	100,500	-

**Note: the contents of this slide contain projected information, which are estimates at the time of preparation and subject to change based on future events and updates.*

Other Considerations

- One-time revenues (ie. Student Support & Professional Development Block Grant) are not guaranteed to be funded at the same levels in 2026-27.
- Property tax revenues fluctuate throughout the year – we receive property tax updates from both Mendocino and Sonoma Counties at P-1 (Fall), P-2 (Spring), and Final (Summer).
- Unknown if the type and amount of certain fees will be recurring, which could change current & future year estimates: transfers to other funds (ie. FD 17 – technology; FDs 14/43 – Deferred Maintenance; FD 40 – Facility; FD 15 – Pupil Transportation, etc.).

**Note: the contents of this slide contain projected information, which are estimates at the time of preparation and subject to change based on future events and updates.*