2026-2027
Arena Union Elementary / Point Arena Joint Union High Budget Adoption

Public Hearing: June 10, 2026 Board Meeting

Adoption: June 24, 2026 Board Meeting

2026-2027 Proposed Budget

	(A) 2025-26 2nd Interim (March 2026)	(B) 2025-26 June Update (June 2026)	(C) 2026-27 Proposed Budget	*Variance = (B)-(A)*	*Variance = (C)-(B)*
Revenues					
Taxes	8,062,521	8,233,048	8,451,104	*170,527*	*218,056*
LCFF/EPA	772,721	772,721	776,659	*-*	*3,938*
Federal Revenue	457,436	550,693	474,150	*93,257*	*(76,543)*
State Revenue	1,159,957	1,272,639	1,208,602	*112,682*	*(64,037)*
Local Revenue	577,407	577,407	476,459	*-*	*(100,948)*
Transfers In	50,000	50,000	65,000	*-*	*15,000*
Total Revenues	11,080,042	11,456,508	11,451,974	*376,466*	*(4,534)*
Expenses					
Certificated Salaries	3,038,579	3,039,129	3,232,699	*551*	*193,570*
Classified Salaries	2,321,434	2,318,923	2,524,329	*(2,511)*	*205,406*
Employee Benefits	2,997,152	2,996,867	3,291,467	*(285)*	*294,600*
Books/Supplies	794,008	842,960	695,842	*48,953*	*(147,119)*
Services & Operations	1,738,543	1,823,093	1,535,239	*84,550*	*(287,853)*
Capital Outlay	-	25,000	-	*25,000*	*(25,000)*
Other Outgo	-	-	-	*-*	*-*
Transfers Out	320,333	439,249	307,695	*118,915*	*(131,554)*
Total Expenses	11,210,049	11,485,222	11,587,271	*275,173*	*102,049*
Excess/(Deficit)	(130,007)	(28,713)	(135,297)		
Beginning Fund Balance	2,699,501	2,699,501	2,670,788		
Ending Fund Balance	**2,569,494**	**2,670,788**	**2,535,491**		

**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.*

Revenue: 2025-26 2nd Interim to June Update
Taxes: P-2 Mendo. & Sonoma tax update (+170k).
Federal: Title I update (+93k).
State: Equity Multiplier funds (+51k), ASES/ELOP (+48k), Prop 28 (+13k).

Expenses: 2025-26 2nd Interim to June Update
Salaries & Benefits: mid year position updates (-2.5k), and benefit impact in tandem with salary change (-0.2k).
Supplies: CTE (+20k), fuel (+10k), athletics (+12k), maintenance (+25k), security (+2k), move vehicle to capital outlay (-25k), other misc. (+4k).
Svcs/Ops: district incentive (+10k), admin related (+9k), CTE (+25k), sportsfields (+25k), custodial (+5k), CSBA (+10k).
Capital Outlay: move vehicle to capital outlay (+25k).
Trsfrs Out: higher cafeteria (+29k), higher set-asides to other funds (facilities, tech, deferred maintenance, etc.) (+90k).

Revenue: 25-26 June Update to 26-27 Proposed
Taxes: estimated 2.5% increase relative to 25-26 P-2 (+222k).
Federal: Impact Aid (-25k), Title I (-51k).
State: Lottery (+6k), Equity Multiplier (-52k), SSPD Block Grant (-52k), CTEIG (+65k), LREBG (-24k), less Mental Health (-3k), less Early Intervention (-5k), other misc. (+1k).
Local: Interest (-29k), less SIGNAL net equity (-31k), Medi-Cal (-27k), SPED ESY (-13k).
Transfers In: higher FD17 tech. (+15k).

Expenses: 25-26 June Update to 26-27 Proposed
Cert. Salaries: raise impact (+99k), est. position updates (+122k), less net of est. addt'l & sub duty (-54k), and est. step increases (+26k).
Class. Salaries: raise impact (+66k), new positions (+146k), full or partial year classified position changes and position updates (+13k), less addt'l/sub est. (-52k), and est. step increases (+32k).
Benefits: raise impact (+123k), net of in tandem fluctuation w/ salary changes (+122k), PERS rate -0.41% (-10k), plus full or partial yr position changes (+56k), other misc. (+3k).
Supplies: curricula (-30k), athletics (-14k), Prop 28 (-14k), maintenance (-35k), CTE (-10k), fuel (-10k), transportation (-4k), tech (-5k), makers space furniture (-20k), other misc. (-5k).
Svcs/Ops: insurance (-30k), LMFT (-97k), ELOP (-60k), MCOE direct svcs (+22k), maintenance (-39k), transportation (-10k), CTE (-25k), CSBA (-10k), instructional (-10k), athletics (-7k), janitorial (-8k), utilities (-8k), other misc. (-5k).
Capital Outlay: less vehicle (-25k).
Trsfrs Out: raise impact for PreK & Café (+27k), net of other PreK & Café updates (+1k); set-asides for savings (-160k).

2026-2027 Proposed Budget & Multi-Year Projection

	Proposed Budget 2026-2027	Multi-Year 2027-2028	Multi-Year 2028-2029
Taxes	8,451,104	8,662,077	8,878,317
LCFF/EPA	776,659	776,659	776,659
Federal Revenue	474,150	474,150	474,150
State Revenue	1,208,602	1,066,779	1,066,779
Local Revenue	476,459	476,459	476,459
Transfers In	65,000	30,000	30,000
Total Revenues	11,451,974	11,486,124	11,702,363
Expenses			
Certificated Salaries	3,232,699	3,285,381	3,334,400
Classified Salaries	2,524,329	2,574,302	2,627,595
Employee Benefits	3,291,467	3,332,622	3,342,019
Materials & Supplies	695,842	716,717	738,218
Services & Operations	1,535,239	1,581,297	1,628,736
Capital Outlay	-	-	-
Other Outgo	-	-	-
Transfers Out	307,695	325,151	337,739
Total Expenses	11,587,271	11,815,469	12,008,706
Excess/(Deficit)	**(135,297)**	**(329,346)**	**(306,342)**
Beginning Fund Balance	2,670,788	2,535,491	2,206,146
Ending Fund Balance	**2,535,491**	**2,206,146**	**1,899,803**

Multi-Year Assumptions:

- Taxes: +2.5% budgeted increase year-over-year.
- LCFF/EPA: Flat
- Federal: Flat
- State: Flat
- Local: Flat
- Transfers In: less FD17 trsfrs in.

- Salaries: plus step increases and estimated staffing adjustments.
- Benefits: in tandem with salary increases plus future STRS & PERS rate changes.
- Books/Supplies: plus 3% est. increase year-over-year.
- Service/Ops: plus 3% estimated increase year-over-year.
- Transfers Out: Estimated salary & benefit increases in other funds (ie. PreK & Cafeteria).

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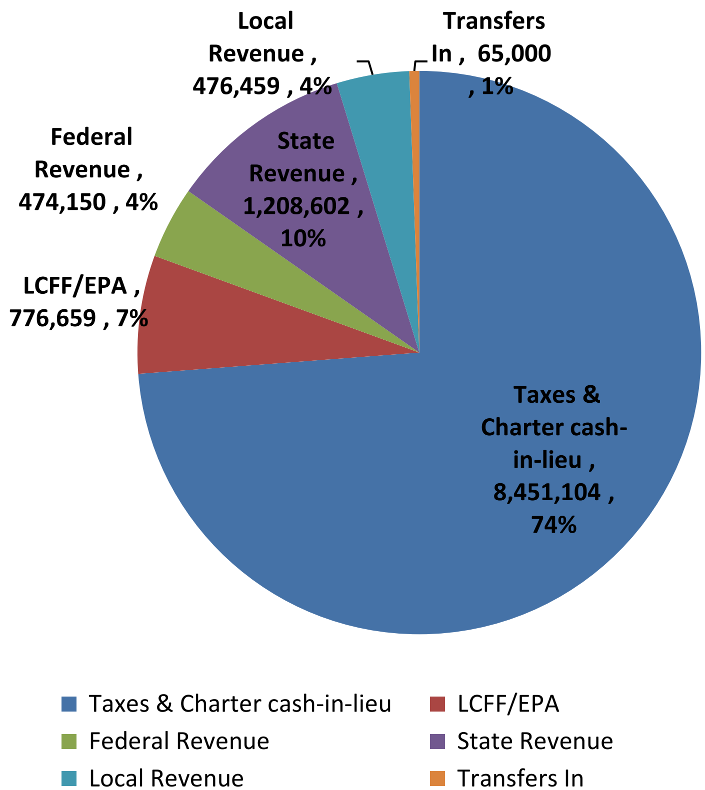
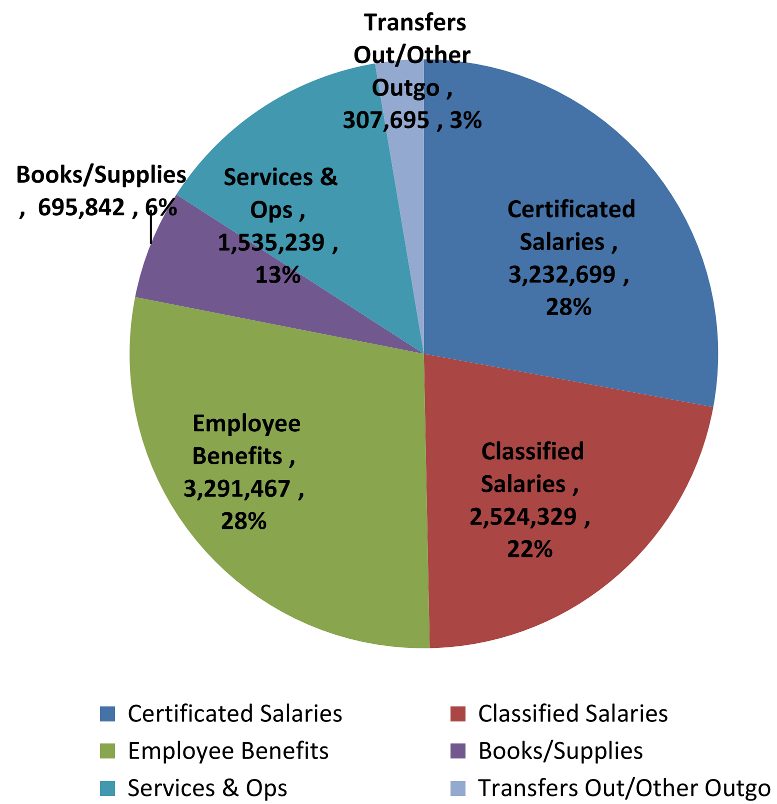
2026-2027 Projected Revenues



Projected Revenues = $11,451,974

2026-2027 Projected Expenditures



Projected Expenditures = $11,587,271

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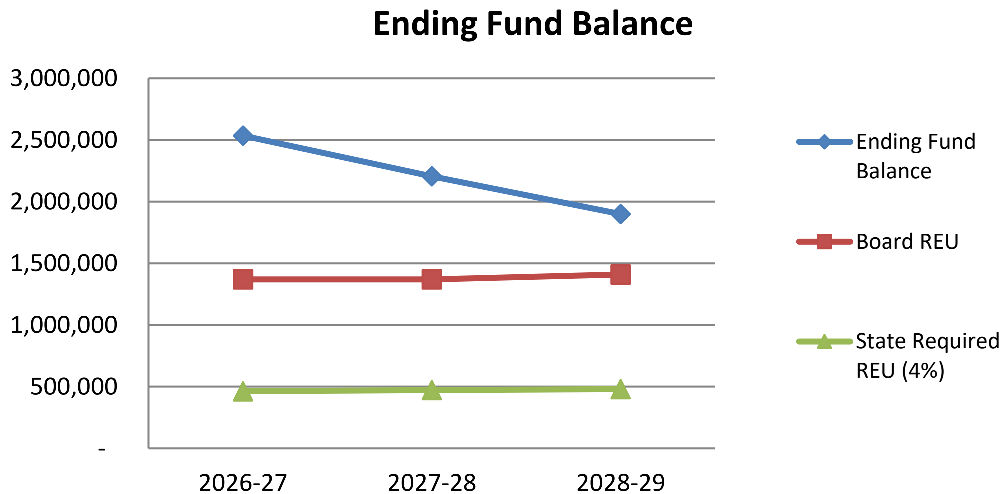
2026-27 Proposed Components of Ending Fund Balance

	Proposed	Multi-Year	
	2026-2027	2027-2028	2028-2029
Revolving Cash	3,150	3,150	3,150
Restricted	602,992	444,956	404,956
Board Reserve-Economic Uncertainty	1,370,000	1,370,000	1,410,000
Lottery funds Reserve	53,913	53,913	50,455
MAA GF Reserve	31,243	31,243	31,243
Legal Reserve	237,097	151,442	-
Maintenance/Transportation GF Reserve	237,097	151,442	-
Other Assigned Reserves	-	-	-
Unassigned/Other	0	(0)	(0)
	2,535,491	2,206,146	1,899,803
Board REU (%age) =	12%	12%	12%
State Required REU (4%) =	**463,491**	**472,619**	**480,348**



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Point Arena Schools Fund 17 Activity at 2026-2027 Budget Adoption

FUND 17	2025-26	2026-27	
TECHNOLOGY AND STRS & PERS	June	Budget	
	Update	Adoption	*Variance*
Beginning Balance - Technology	201,369	238,369	*37,000*
Beginning Balance - STRS & PERS	100,500	100,500	-
Revenues			
Interest	2,000	2,000	-
Transfers In - for Technology	85,000	-	*(85,000)*
Transfers In - for STRS & PERS	-	-	-
Total Revenues	87,000	2,000	*(85,000)*
Expenses			
Technology supplies & equipment	50,000	65,000	*15,000*
	-	-	
Total Budgeted Expenses	50,000	65,000	*15,000*
Excess/(Deficit)	37,000	(63,000)	
Ending Fund Balance - Technology	**238,369**	**175,369**	*(63,000)*
Ending Fund Balance - STRS & PERS	**100,500**	**100,500**	-

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2026-2027 Projected Reserves at Budget Adoption

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

Per Education Code Section 42127(a)(2)(B), 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.

		2026-27	2027-28	2028-29
Total General Fund Expenditures & Other Uses		$ 11,587,271	$ 11,815,469	$ 12,008,706
Minimum Reserve requirement	4%	$ 463,491	$ 472,619	$ 480,348
General Fund Combined Ending Fund Balance		$ 2,535,491	$ 2,206,146	$ 1,899,803
Special Reserve Fund Ending Fund Balance		$ 275,869	$ 275,869	$ 275,869
Components of ending balance:				
Nonspendable (revolving, prepaid, etc.)		$ 3,150	$ 3,150	$ 3,150
Restricted		$ 602,992	$ 444,956	$ 404,956
Committed		$ -	$ -	$ -
Assigned		$ 835,218	$ 663,909	$ 357,567
Reserve for economic uncertainties		$ 1,370,000	$ 1,370,000	$ 1,410,000
Unassigned and Unappropriated		$ -	$ -	$ -
Subtotal Assigned, Unassigned & Unappropriated		$ 2,205,218	$ 2,033,909	$ 1,767,567
Total Components of ending balance		$ 2,811,360	$ 2,482,015	$ 2,175,672
		TRUE	TRUE	TRUE
Assigned & Unassigned balances above the minimum reserve requirement		$ 1,741,727	$ 1,561,290	$ 1,287,219

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	*$ 1,370,000*
- Fund 01: Lottery Funds Reserve for curricula	*53,913*
- Fund 01: MAA General Fund Reserve for Health related expenses	*31,243*
- Fund 01: Reserve for Maintenance Department related expenses	*118,548*
- Fund 01: Reserve for Transportation Department related expenses	*118,548*
- Fund 01: Legal Reserve	*237,097*
- Fund 17: Special Reserve Fund for STRS, PERS, and H&W increases	*100,500*
- Fund 17: Special Reserve Fund for Techncology Purchases	*175,369*
	$0
Total of Substantiated Needs	*$ 2,205,218*
Remaining Unsubstantiated Balance	**$ (0)**

Education Code Section 42127 (d)(1) requires a county superintendent to either conditionally approve or disapprove a school district budget if the district does not provide for EC 42127 (a)(2)(B) public review and discussion at its public budget hearing.

Includes Fund 01 and Fund 17 Projected Fund Balances

June 10, 2026 Board Meeting

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Other Considerations

- One-time revenues from 2025-26 (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.).

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