

REVENUE ASSUMPTIONS

2025-26 LOCAL CONTROL FUNDING FORMULA (LCFF) CALCULATION					6/18/2025
BASE GRANT:					
	TK-3	4-6	7-8	9-12	TOTAL
	2,240.87	1,866.95	1,334.35	2,907.35	8,349.52
2024-25 BASE	10,025	10,177	10,478	12,144	
2025-26 2.30% COLA	231	234	241	279	
2025-26 BASE	10,256	10,411	10,719	12,423	
	22,981,376	19,436,949	14,302,925	36,118,875	92,840,125
AUGMENTATION GRANTS:					
CLASS SIZE REDUCTION (CSR) AUGMENTATION: BASE GRANT X 10.4%					2,390,063
CAREER TECHNICAL EDUCATION (CTE) AUGMENTATION 9-12 BASE GRANT X 2.6%					939,091
SUPPLEMENTAL AND CONCENTRATION GRANTS:					
TOTAL ENROLLMENT (3-YEAR AVERAGE)					8,704
TOTAL UNDUPLICATED PUPIL COUNT (3-YEAR AVERAGE)					2,727
					31.33%
SUPPLEMENT ADD-ON 20% OF BASE GRANT X % OF ELIGIBLE ENROLLMENT					6,026,279
TRANSPORTATION, TIIG GRANT, & ADD-ON:					
2012-13 LCFF IMPLEMENTATION & ADD-ON FOR TRANSPORTATION					897,197
2012-13 TARGETED INSTRUCTIONAL IMPROVEMENT BLOCK GRANT					429,757
TRANSITIONAL KINDERGARTEN ADD-ON					736,601
TOTAL 2025-26 LCFF ENTITLEMENT					104,259,113
MINIMUM STATE AID / 2012-13 CATEGORICAL PROGRAMS					8,585,843
TOTAL 2025-26 LCFF ENTITLEMENT					104,259,113
LOCAL REVENUE / PROPERTY TAXES					121,645,640
Amount of Property Tax Over LCFF Entitlement (Basic Aid when negative)					(17,386,527)

Note Outside of Calculation:

EDUCATION PROTECTION ACCOUNT	1,700,000
TRANSFER TO CHARTER SCHOOL	-300,000

Enrollment for 2025-26 is slightly declined and is projected at 8,333.

The Lottery allocation will be \$273 per annual ADA, of which \$191 is for Unrestricted General Fund expenditures and the remaining \$82 is Proposition 20 – Mandated for Instructional Materials.

Reflects a 2.30% COLA for the District LCAP Supplemental Grant.

Reflects a 2.30% COLA Special Education Funding. The projected Special Education AB 602 revenue remains at \$7,050,451 and \$2,435,999 for Federal IDEA programs.

Mandated Block Grant revenue is \$410,000.

The Measure “R” parcel tax of \$529.76 per parcel is estimated to generate \$14,301,621 after processing the senior exemptions.

Santa Monica-Malibu Education Foundation contribution is \$1.8 million dollars.

Malibu Education Foundation will be making contribution of approximately \$592,508 in 2025-26.

The estimated revenue from Prop Y & GSH is projected to remain flat with the 2025-26 year at \$18 million dollars from the City of Santa Monica as projected by city staff. This projection mirrors the City’s financial estimates per the advisement of the District’s Financial Oversight Committee.

The revenue associated with the new Measure GS which is passed through the City of Santa Monica to the District via the “School Fund” is at \$10 million dollars and has been received by the District.

The District will receive \$11,529,263 from the Joint Use Agreement with the City of Santa Monica.

The District is projected to receive approximately \$299,378 from the Joint Use Agreement funding with the City of Malibu dependent on use of facilities from the City of Malibu – it is unlikely that the full amount will materialize based on current use trend history.

The combined lease revenue is \$2,750,000 which is from the Hilton Hotel, Madison Site, 9th & Colorado, and 16th Street properties.

The projected revenue of Federal programs:

Resource ‘3010’	Title I:	\$ 1,489,976
Resource ‘4035’	Title II:	\$ 406,185
Resource ‘4203’	Title III:	\$ 82,839
Resource ‘9010’	Medi-Cal:	\$ 300,759

EXPENDITURE ASSUMPTIONS

Teaching Staff Ratios:

TK-Grade 3	24
Grade 4-5	30
Grade 4-5 (Title I schools)	27
Grade 6-8	34
Grade 6-8 (JAMS)	33
Grade 9-12	35

Site Administrative Staffing Ratios:

Principals:	1.00 FTE per site
Assistant Principals:	0.00 FTE for school enrollment less than 350 students 0.50 FTE for school enrollment between 351 and 500 students 1.00 FTE for school enrollment greater than 501 students
Santa Monica High:	1.00 FTE Principal 4.00 FTE House Principals
Malibu High:	1.00 FTE Principal 1.00 FTE Assistant Principal
Malibu Middle:	1.00 FTE Principal
JAMS, Lincoln:	1.00 FTE Principal 2.00 FTE Assistant Principal
Olympic:	1.00 FTE Principal (0.50 General Fund & 0.50 Adult Ed)
PBL Pathway:	1.00 FTE Assistant Principal
Sr. Office Specialist Ratio: (Elementary)	0.50 FTE for school enrollment less than 375 students 1.00 FTE for school enrollment between 375 and 500 students 1.50 FTE for school enrollment between 501 and 550 students 2.00 FTE for school enrollment greater than 551

Full-Time Equivalent (FTE) Changes:

Certificated: The FTE change of teaching positions reflect changes of projected enrollment

(2.00) FTE	Classroom Teachers, Franklin
(1.00) FTE	Classroom Teachers, Grant
(1.00) FTE	Classroom Teachers, Will Rogers
0.20 FTE	Classroom Teachers, Roosevelt
0.60 FTE	Classroom Teachers, Webster
(2.40) FTE	Classroom Teachers, SMASH
1.20 FTE	Classroom Teachers, Malibu High School
1.80 FTE	Classroom Teachers, John Adams Middle School
0.60 FTE	Classroom Teachers, Malibu Middle School
(1.00) FTE	Classroom Teachers, Olympic High School
(6.00) FTE	Classroom Teachers, Santa Monica High School
(1.40) FTE	Classroom Teachers, Malibu Elementary

Classified:

Classified changes will be reflected at 2025-26 First Interim Budget

Salary:

Step & Column Increases

1.5% all certificated employees
1.5% all classified employees

SEIU

5% Effective 1/1/2024
3% Effective 7/1/2024
1st of 2 Range Adjustments Effective 7/1/2024
One-Time Off-Salary Schedule Pay Effective 7/1/2024
2nd of 2 Range Adjustments Effective 7/1/2025

SMMCTA

5% Effective 1/1/2024
3% Effective 7/1/2024
3% Effective 1/1/2025
2% Effective 7/1/2025

SMMASA

5% Effective 1/1/2024
3% Effective 7/1/2024
4% Effective 1/1/2025
3% Effective 7/1/2025

Statutory Benefits:

19.10%	STRS employer contribution rate
26.81%	PERS employer contribution rate
6.20%	OASDI contribution rate
1.45%	Medicare contribution rate
0.50%	SUI contribution.
3.92%	Workers' Compensation contribution
1.25%	Other Postemployment Benefit

Health & Welfare:

The premium for District-paid employee Health Benefits is budget at a 7% increase in 2025-26 fiscal. The District has moved from health benefits being administered by CalPERS to Self-Insured Schools of California (SISC) effective January 2023. Additionally, the First Interim Budget will further refine this projection to account for open enrollment changes that occurred throughout the summer that will be effective October 2025. This standard budgeting practice will sure-up the budget line item in the Health & Welfare category to mitigate an over or under budget projection in this category.

OTHER PROGRAMS

Educational Protection Act (EPA)

After passage of Proposition 30, the Schools and Local Public Safety Protection Act of 2012, the District received funds through a new Education Protection Account to help stabilize school budgets and restore educational opportunities that were decimated by revenue shortfalls brought by the Great Recession. EPA funds are one of the three components that make up the LCFF funds in the district. The District is scheduled to receive approximately \$1,700,000 in 2025-26 and will use all funds to support Certificated Teacher Salaries. This is a \$100,000 decrease in the funds compared to prior year as the District experiences declining enrollment which is the method in which these funds are allocated.

LCAP Supplemental Grant

\$6,026,279 is budgeted to support the LCAP Supplement Grant plan that will be approved by the Board.

Technology Refresh

\$1,000,000 to refresh technology that was previously annually funded by Unrestricted General Fund (GSH/YY expenditure) prior to this item being placed on the Fiscal Stabilization Plan that has been subsequently implemented and concluded. This allocation is now funded by the Arts & Music Discretionary Block Grant as previously approved by the Board of Education.

Textbook Adoptions

\$1,000,000 of textbook adoptions that was previously funded by the Unrestricted General Fund prior to this item being placed on the Fiscal Stabilization Plan that has been subsequently implemented and concluded. This allocation is now funded by the Arts & Music Discretionary Block Grant as previously approved by the Board of Education

Middle School Sports Program – General Fund & Santa Monica Education Foundation

A total of \$300,000 is allocated for Middle School Sports with \$240,000 coming from the General Fund to supplement the \$60,000 from Santa Monica Education Foundation – \$10,000 of the Education Foundation gift is funded by a grant from the LA84 Foundation.

The total allocation will be used for supplies, equipment, and coaching staff in the amount of \$200K, and 100K will be used for a Middle School Sports Supervisor that is a District staff person position as approved by the Personnel Commission and Board of Education. The General Fund will cover the cost of the Middle School Sports Supervisor.

Formula Budget (School Site Allocations) – General Fund

Total formula budget has decreased slightly from \$1,139,809 to \$1,134,496. The calculation allocation has decreased by \$5,313 as a function of decreased enrollment district-wide:

K-5	\$ 93.30 per pupil
6-8	\$ 96.79 per pupil
9-12	\$ 71.38 per pupil

Stretch Grant Budget (School Site Allocations) – Santa Monica Education Foundation

Total Stretch Grant budget remains funded by SMEF at \$450,000 in 2025-26 as it was in the prior year. The Adopted Budget includes the following annual rates for the full allocation:

K-5	\$ 94.32 per pupil
6-8	\$ 47.16 per pupil
9-12	\$ 23.58 per pupil

Instructional Assistants – General Fund & Santa Monica Education Foundation

Due to the increasing cost of maintaining the Instructional Assistant positions within the District's educational structure and support of teaching and learning, the General Fund will share in the cost of funding Instructional Assistants with the Santa Monica Education Foundation. It is projected that the total cost of Instructional Assistants is approximately \$1,724,322 and it is anticipated that the General Fund's share is approximately \$764,322.00 and the Santa Monica Education Foundation's share is approximately \$960,000.00.

Summer School

The total Summer School budget is \$839,026 (\$826,196 funded by LCAP Supplemental Grant and \$12,830 is funded by the General Fund). This is an overall decrease of \$1,066,186 from last year's total of \$1,905,212 as the Summer School Program was reviewed, evaluated, and streamlined to increase supports to students. This research, assessment, and evaluation rendered a decrease in costs but an enhancement to projected student summer outcomes.

Equipment Purchase and Replacement

\$168,000 is budgeted in 2025-26 in the combined Unrestricted and Restricted general fund vans and maintenance vehicles.

Transportation

\$ 967,090 for Regular Ed Transportation (decrease of 1,609,796 from prior year)
\$2,074,140 for Special Ed Transportation (increase of 95,682 from prior year)
\$ 560,500 for Transportation Building Rent & Associated Utilities (decrease of 6.66% from prior year)

Ongoing Maintenance Program

\$8,990,703 is budgeted for Ongoing Maintenance Program which represents 3% of total General Fund budget.

TRANSFERS

\$375,000	Transfer to Child Development Fund (Fund 12) from General Fund for the Fund to remain solvent.
\$100,000	Transfer to Child Development Fund (Fund 12) from LCAP Supplement.
\$750,000	Transfer to Cafeteria Fund (Fund 13) from General Fund for the Fund to remain solvent.
\$2,500,000	Transfer to Deferred Maintenance (Fund 14) from General Fund.

The General Indirect Rate changed from 7.62% to 0.20% in 2025-26.

The Food Services Indirect Rate changed from 5.94% to 0.20% in 2025-26.

RESERVE

The District Budget reflects the State required 3% reserve of General Fund Expenditures for Economic Uncertainties in the following years:

- 2025-26
- 2026-27
- 2027-28

The following documents include:

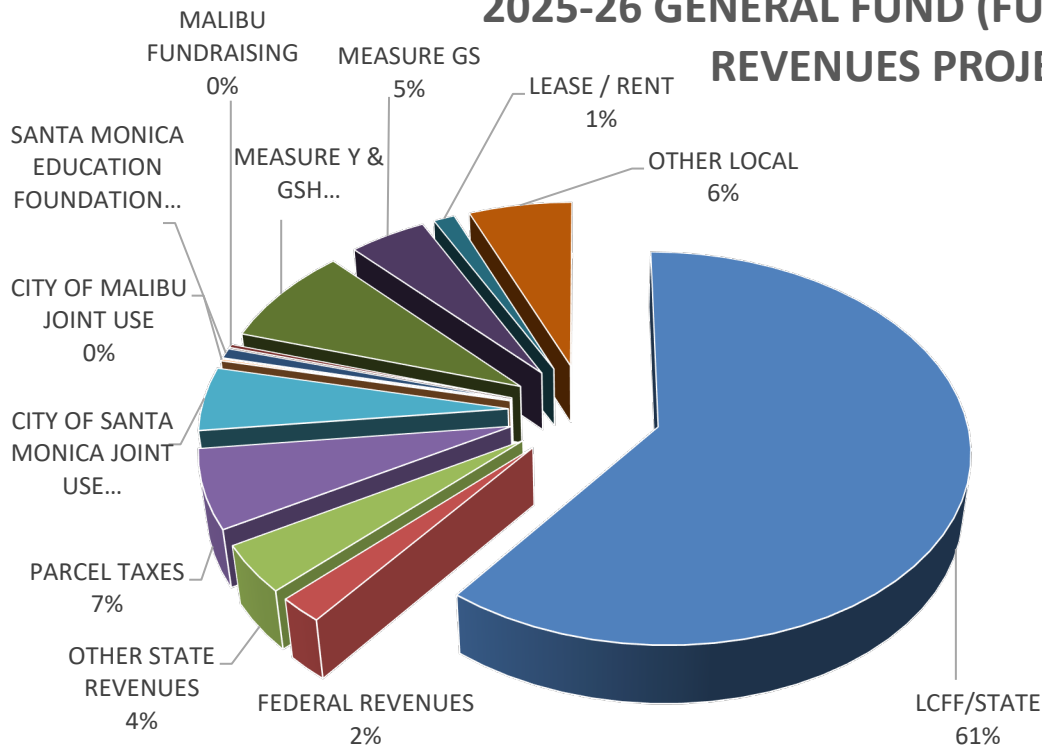
- Unrestricted & Restricted General Fund Revenue/Expenditure Summary
- Major Categorical Adopted Budget to First Interim Budget
- Summary of Budget General Fund
- Components of Ending Fund Balance
- Summary of Budget by Fund
- Multi-year Assumptions & Projections

**SANTA MONICA-MALIBU UNIFIED SCHOOL DISTRICT
2025-26 PROPOSED BUDGET
COMBINED RESTRICTED & UNRESTRICTED GENERAL FUND**

REVENUES

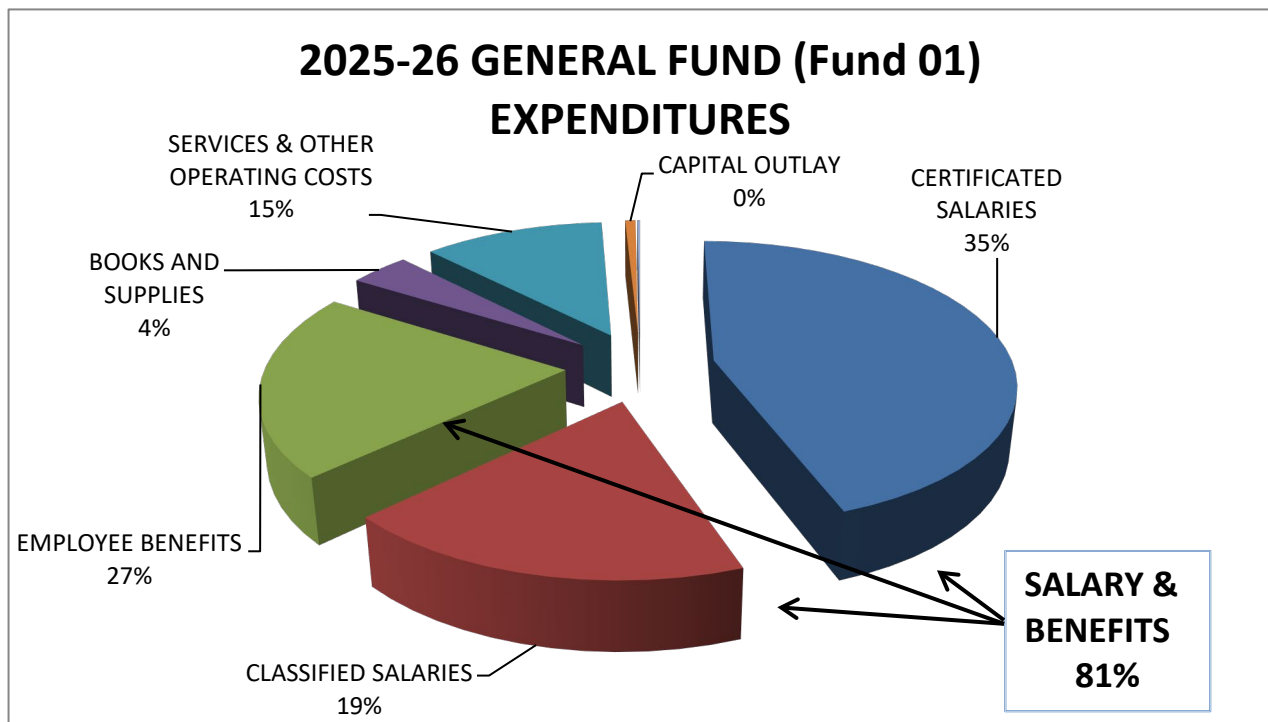
BEGINNING BALANCE	\$ 64,475,187
LCFF/STATE	\$ 131,631,483
FEDERAL REVENUES	\$ 4,599,382
OTHER STATE REVENUES	\$ 8,711,347
PARCEL TAXES	\$ 14,301,621
CITY OF SANTA MONICA JOINT USE	\$ 11,529,263
CITY OF MALIBU JOINT USE	\$ 299,378
SANTA MONICA EDUCATION FOUNDATION	\$ 1,800,000
MALIBU FUNDRAISING	\$ 592,508
MEASURE Y & GSH	\$ 18,000,000
MEASURE GS	\$ 10,000,000
LEASE / RENT	\$ 2,750,000
OTHER LOCAL	\$ 13,353,013
TOTAL REVENUES	\$ 217,567,995
TOTAL AVAILABLE FUNDS	\$ 282,043,182

**2025-26 GENERAL FUND (FUND 01)
REVENUES PROJECTION**



COMBINTED RESTRICTED & UNRESTRICTED GENERAL FUND

PROJECTED EXPENDITURES:		
CERTIFICATED SALARIES	\$	80,635,670 35%
CLASSIFIED SALARIES	\$	44,159,354 19%
EMPLOYEE BENEFITS	\$	60,854,974 27%
BOOKS AND SUPPLIES	\$	8,180,456 4%
SERVICES & OTHER OPERATING COSTS	\$	33,748,812 15%
CAPITAL OUTLAY	\$	168,000 0%
OTHER OUTGO	\$	45,541 0%
TOTAL EXPENDITURES:	\$	227,792,807 100%
TRANSFERS IN	\$	-
TRANSFERS OUT	\$	3,225,000
CONTRIBUTION (SPED & REST ROUT MAINT)	\$	(44,636,667)
PROJECTED FUND BALANCE:	\$	51,025,375



**SANTA MONICA-MALIBU UNIFIED SCHOOL DISTRICT
SUMMARY BUDGET OF GENERAL FUND**

FUND 01: UNRESTRICTED GENERAL FUND

	2025-26 ESTIMATED ACTUALS	2025-26 PROPOSED BUDGET	CHANGES
BEGINNING BALANCE	56,609,464	50,347,147	(6,262,317)
REVENUES			-
LCFF SOURCES	128,865,947	131,631,483	2,765,536
FEDERAL REVENUE	-	-	-
OTHER STATE REVENUE	2,411,085	2,465,000	53,915
LOCAL REVENUES	60,884,148	61,731,769	847,621
LOCAL GENERAL FUND CONTRIBUTION	(44,278,907)	(44,636,667)	(357,760)
TOTAL REVENUES	147,882,273	151,191,585	3,309,312
EXPENDITURES			
CERTIFICATED SALARIES	62,479,844	63,168,211	688,367
CLASSIFIED SALARIES	26,223,392	27,095,364	871,972
EMPLOYEE BENEFITS	40,825,134	38,213,703	(2,611,431)
BOOKS AND SUPPLIES	4,521,377	4,589,592	68,215
SERVICES & OTHER OPERATING COSTS	24,028,085	24,454,409	426,324
CAPITAL OUTLAY	713,352	71,000	(642,352)
OTHER OUTGO	(2,257,909)	9,262	2,267,171
TOTAL EXPENDITURES	156,533,275	157,601,541	1,068,266
TRANSFERS OUT	3,375,000	3,225,000	(150,000)
AUDIT ADJUSTMENTS & RESTATEMENTS	2,176,920	-	(2,176,920)
NET INCREASE (DECREASE)	(12,026,002)	(9,634,956)	2,391,046
PROJECTED FUND BALANCE	46,760,382	40,712,191	(6,048,191)

FUND 01: RESTRICTED GENERAL FUND

	2025-26 ESTIMATED ACTUALS	2025-26 PROPOSED BUDGET	CHANGES
BEGINNING BALANCE	16,155,598	14,128,040	(2,027,558)
REVENUES			
FEDERAL REVENUE	7,658,679	4,599,382	(3,059,297)
OTHER STATE REVENUE	8,325,970	6,246,347	(2,079,623)
LOCAL REVENUES	12,718,831	10,894,014	(1,824,817)
LOCAL GENERAL FUND CONTRIBUTION	44,278,907	44,636,667	357,760
TOTAL REVENUES	72,982,387	66,376,410	(6,605,977)
EXPENDITURES			
CERTIFICATED SALARIES	19,161,362	17,467,459	(1,693,903)
CLASSIFIED SALARIES	16,020,110	17,063,990	1,043,880
EMPLOYEE BENEFITS	16,279,714	22,641,271	6,361,557
BOOKS AND SUPPLIES	9,567,769	3,590,864	(5,976,905)
SERVICES & OTHER OPERATING COSTS	17,282,365	9,294,403	(7,987,962)
CAPITAL OUTLAY	632,041	97,000	(535,041)
OTHER OUTGO	1,590,650	36,279	(1,554,371)
TOTAL EXPENDITURES	80,534,011	70,191,266	(10,342,745)
AUDIT ADJUSTMENTS & RESTATEMENTS	5,336,213	-	(5,336,213)
NET INCREASE (DECREASE)	(7,551,624)	(3,814,856)	3,736,768
PROJECTED FUND BALANCE	13,940,187	10,313,184	3,627,003

SANTA MONICA-MALIBU UNIFIED SCHOOL DISTRICT**2025-26 MAJOR CATEGORICAL PROGRAMS**

	2024-25 ESTIMATED ACTUALS	2025-26 PROPOSED BUDGET	CHANGES
FEDERAL PROGRAMS			
TITLE I :BASIC	2,537,543	1,489,976	(1,047,567)
TITLE II :TEACHER QUALITY	508,299	406,185	(102,114)
TITLE III : LIMITED ENGLISH PROFICIENT (LEP)	283,538	82,839	(200,699)
MEDICAL REIMBURSEMENT	457,115	300,759	(156,356)
SP ED: IDEA ENTITLEMENT	2,435,999	2,435,999	-
SP ED: IDEA "C' EARLY INTERVENTION	-	-	-
TOTAL FEDERAL REVENUES:	6,222,494	4,715,758	(1,506,736)
STATE PROGRAMS			
SP ED : AB602	7,000,451	7,050,451	50,000
SP ED : MENTAL HEALTH	-	-	-
SP ED : PROJECT WORKABILITY	62,430	62,430	-
LOTTERY - INSTRUCTIONAL MATERIALS	111,060	110,272	(788)
CAREER TECHNICAL ED. INCENTIVE GRANT	467,722	892,722	425,000
TOTAL STATE REVENUES:	7,641,663	8,115,875	474,212

SANTA MONICA-MALIBU UNIFIED SCHOOL DISTRICT**LOCAL GENERAL FUND CONTRIBUTION (LGFC)**

	2024-25 ESTIMATED ACTUALS	2025-26 PROPOSED BUDGET	CHANGE
SPECIAL EDUCATION	34,585,966	35,645,964	1,059,998
ONGOING MAINTENANCE PROGRAM	9,692,941	8,990,703	(702,238)
TOTAL CONTRIBUTION:	44,278,907	44,636,667	357,760

Components of Ending Fund Balances**2025-26**

Fund 01: Unrestricted General Fund		
Unrestricted General Fund Beginning Balance	\$	46,857,928
Current Year (Deficit)/Surplus Spending		(9,634,956)
Ending Fund Balance that Requires Explanation		37,222,972
Reasons for Assigned and Unassigned Ending Fund Balances		
*State Recommended 17% Minimum Level for Unified Districts		
		37,222,972
Less: 3% Reserve for Economic Uncertainties		(6,930,535)
Reserve for Revolving Cash & Prepaid		(20,025)
Reserve for 26-27 Deficit Spending		(3,907,740)
Reserve for 27-28 Deficit Spending		(3,481,414)
^Reserve for up to 2 months General Fund Expenditures		22,883,259
Unappropriated Balance		-

*current reserve is at 20.27% (up 4.94% from 15.33% @ 25-26 Preliminary Budget)

*2023-24 Statewide Average Reserve for Unified State-Aid Districts is 24.62%

*Basic Aid Districts should be 25%

^A 2-month reserve would be approximately \$26.8M

SANTA MONICA-MALIBU USD
MULTI-YEAR PROJECTION
UNRESTRICTED GENERAL FUND - ASSUMPTIONS

Factor	2025-26	2026-27	2027-28
Statutory COLA	2.30%	3.02%	3.42%
LCFF FUNDING BASE			
K-3 + 10.4% Class Size Reduction (CSR)	\$ 11,323	\$ 11,665	\$ 12,064
4-6	\$ 10,411	\$ 10,725	\$ 11,092
7-8	\$ 10,719	\$ 11,043	\$ 11,421
9-12 + 2.6% Career Technical Education (CTE)	\$ 12,746	\$ 13,131	\$ 13,580
% of Local Property Taxes Increase	3.5%	4%	5%
% of GAP Funding	100.00%	100.00%	100.00%
MINIMUM STATE AID	\$ 8,585,843	\$ 8,585,843	\$ 8,585,843
Enrollment Projection	8,333	8,170	8,009
P2 ADA Projection	7,875	7,720	7,569
Funding ADA	8,416	8,251	8,090
Lottery - Unrestricted /ADA	\$ 191.00	\$ 191.00	\$ 191.00
Lottery - Restricted /ADA	\$ 82.00	\$ 82.00	\$ 82.00
Mandated Block Grant : K-8 /ADA	\$ 39.14	\$ 40.52	\$ 41.99
Mandated Block Grant : 9-12 /ADA	\$ 75.41	\$ 78.06	\$ 80.89
City of Santa Monica - Joint Use Agreement	\$ 11,529,263	\$ 11,759,848	\$ 11,995,045
City of Malibu - Joint Use Agreement	\$ 299,378	\$ 299,378	\$ 299,378
Measure R / Parcel Tax	\$ 14,301,621	\$ 14,587,653	\$ 14,587,653
City of Santa Monica - Measure Y & GSH / Sales Tax	\$ 18,000,000	\$ 18,000,000	\$ 18,000,000
City of Santa Monica - Measure GS / Property Transfer Tax	\$ 10,000,000	\$ 10,000,000	\$ 10,000,000
Santa Monica Education Foundation	\$ 1,800,000	\$ 1,800,000	\$ 1,800,000
Malibu Education Foundation	\$ 592,508	\$ 592,508	\$ 592,508
Salary Increase *See narrative for schedule of increases	*	*	*
Step & Column Incr.	1.50%	1.50%	1.50%
STRS Rate	19.10%	19.10%	19.10%
PERS Rate	26.81%	26.90%	27.80%
Health/Welfare - Annualized	7%	5%	5%
Workers' Compensation	3.92%	3.92%	3.92%
Other Postemployment Benefits	1.25%	1.25%	1.25%
Indirect Cost Rate	0.20%	0.20%	0.20%
Quarterly Interest Rate Distribution	3.86%	3.86%	3.86%
Ongoing Maintenance	3%	3%	3%
Reserve for Uncertainties	3%	3%	3%