

# **2025-2026 Proposed Budget & 2024-2025 Estimated Actuals**

Presentation by

**Hojat Entezari, Chief Administrator, Business Services**



**Tehachapi USD**

# Overview



- 01.** Fiscal Outlook
- 02.** General Fund Overview
- 03.** Local Control Funding Formula (LCFF)
- 04.** Revenues
- 05.** Expenditures
- 06.** Multi-Year Projection
- 07.** Ending Fund Balance & Reserves
- 08.** Other Funds
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# State Economic Outlook



## CA Budget Proposes \$114.6 billion in Prop 98 for 25-26

The Governor's May Revision to the original 25-26 budget proposal assumes a "growth recession". Prop 98 is expected to increase \$2.9B from 24-25, but a decrease of \$4.6B over 3 years is proposed from the governor's January budget proposal. Due to mandatory withdrawals, Prop 98 Rainy Day Fund has been depleted.

## COLA for LCFF reduced to 2.30% for 25-26

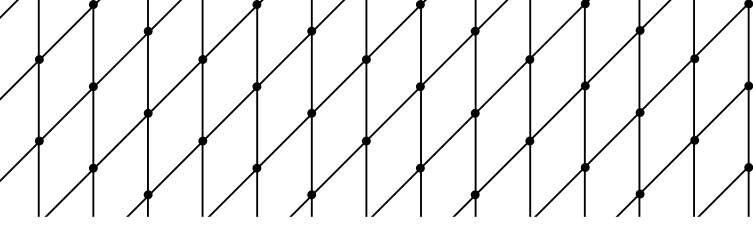
Changes since the January budget proposal include:

- COLA being reduced to 2.30% from 2.43%.
- TK funding decreased funding -12.5% to \$2.1B
- TK funding decreased funding for TK student-to-adult ratio -20% to \$1.2B
- A 1-month cash deferral is proposed beginning June 2026.

## Strong reserves recommended due to state and federal uncertainties

Agencies recommend that LEAs should respond to the forecasted fiscal headwinds at the state and federal level by maintaining strong reserves with recommended reserve levels of 17% or at least 2 months of operating expenditures (~\$12M).





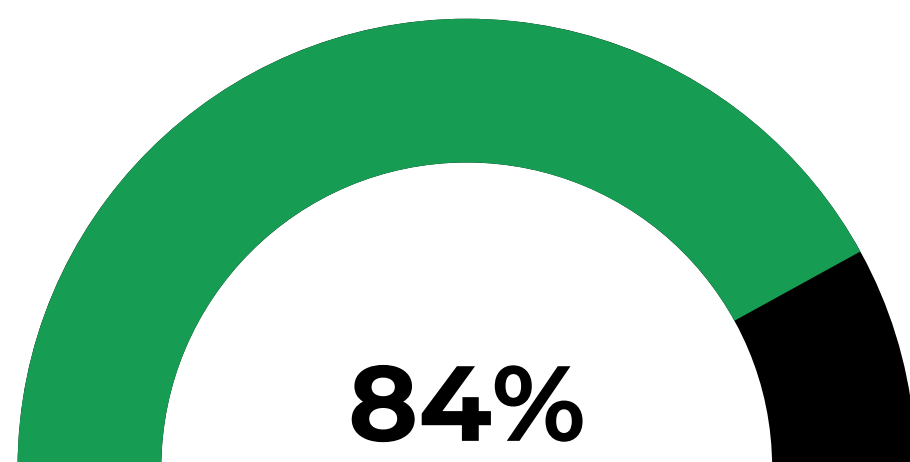
# Revenues

## Unrestricted & Restricted





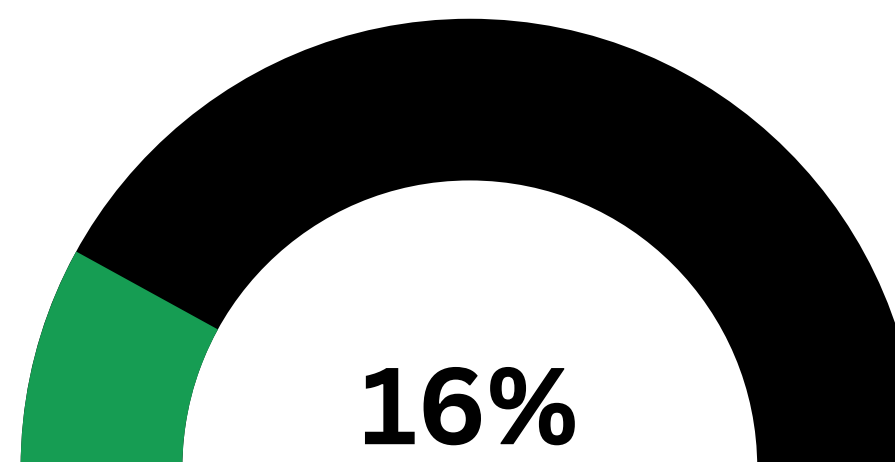
# 25-26 Unrestricted & Restricted Revenues



## Unrestricted Revenues

LCFF Revenue \$49,195,308  
Other State Revenue \$1,727,732  
Other Local Revenue \$1,440,000

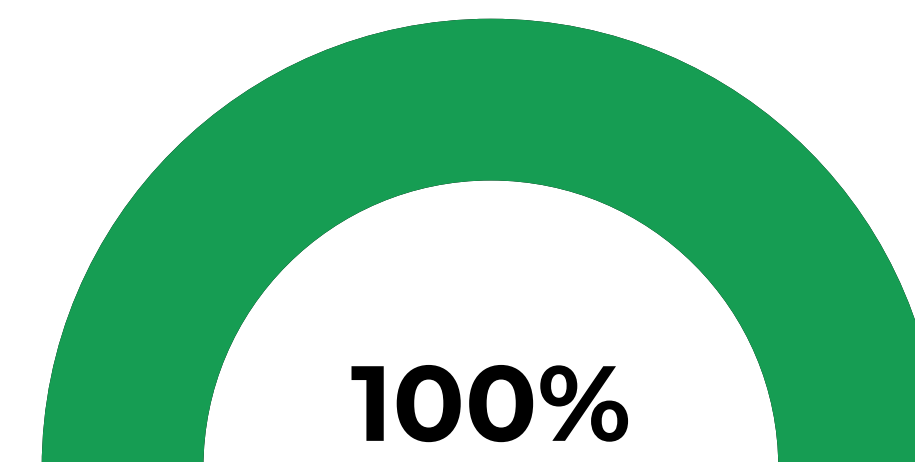
**Total Unrestricted Revenues**  
**\$52,363,040**



## Restricted Revenues

Federal Revenue \$2,262,278  
Other State Revenue \$3,851,554  
Other Local Revenue \$3,734,370

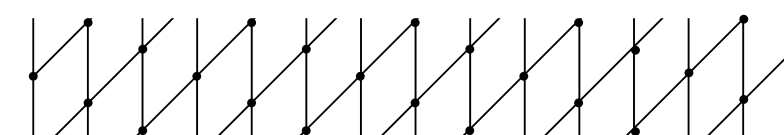
**Total Restricted Revenues**  
**\$9,848,202**



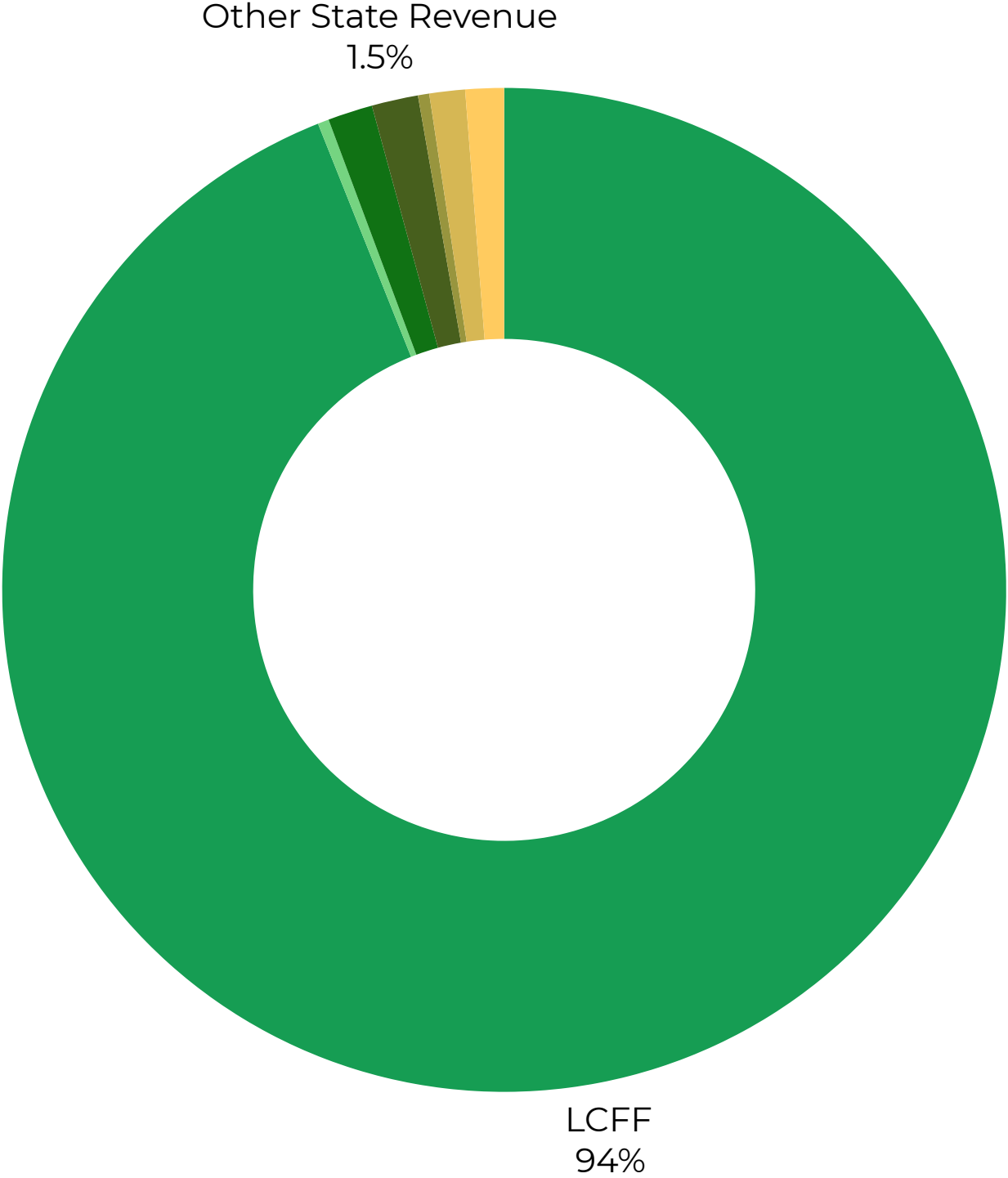
## Total Revenues

LCFF \$49,195,308  
Federal Revenue \$2,262,278  
Other State Revenue \$5,579,286  
Other Local Revenue \$5,174,370

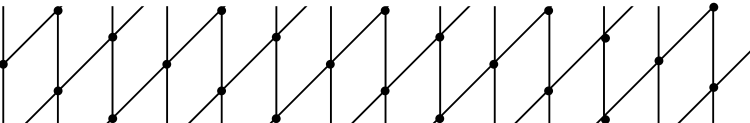
**Total Revenues**  
**\$62,211,242**



# 25-26 Unrestricted Revenues



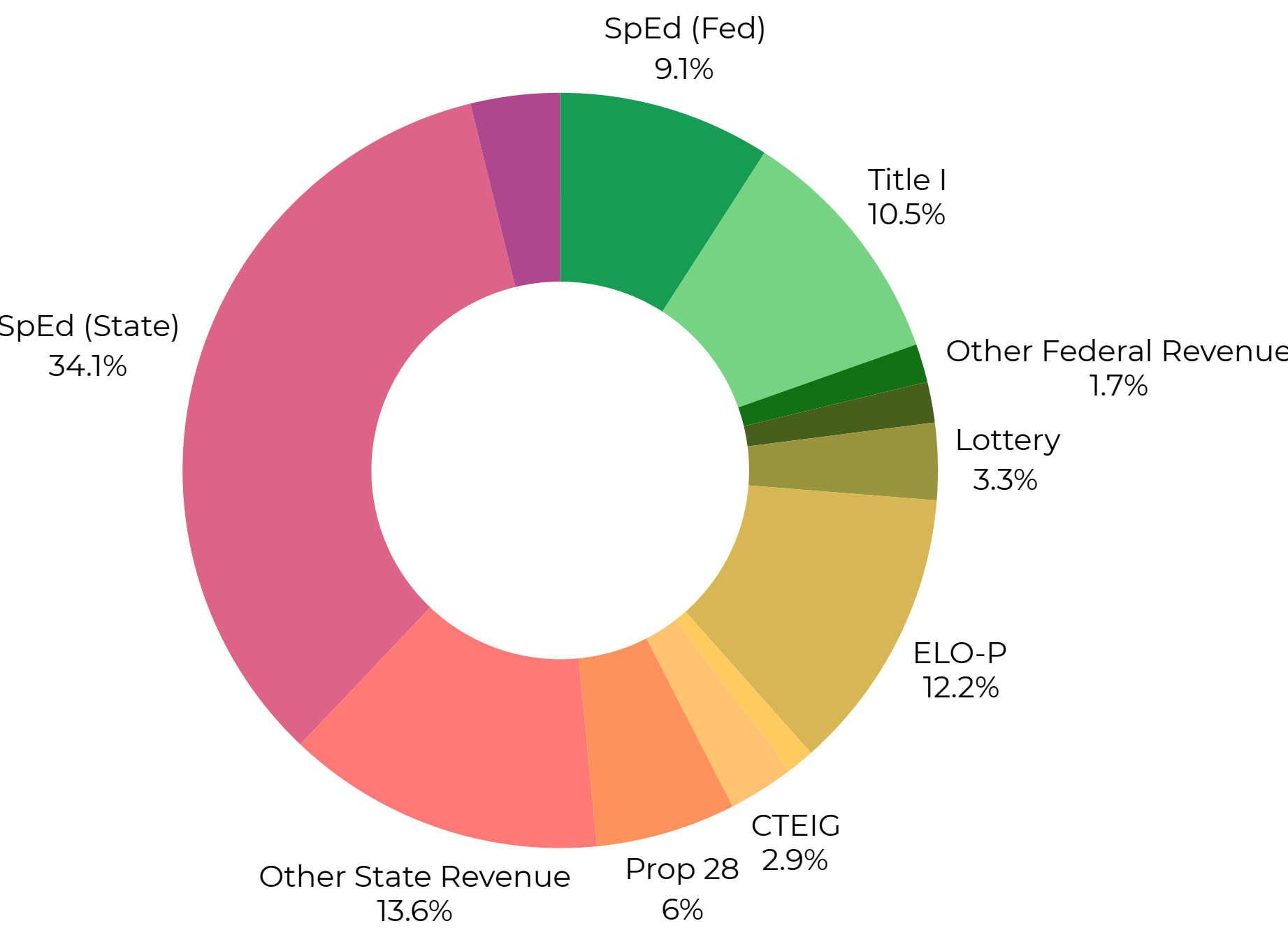
Revenue Description	Amount
LCFF	\$49,195,308
Lottery	\$755,276
Mandated Costs Reimb.	\$189,506
Other State Revenue	\$782,950
Leases & Rentals	\$190,000
Interest	\$600,000
Other Local Revenue	\$650,000
Total:	\$52,363,040



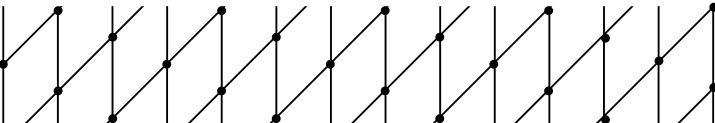


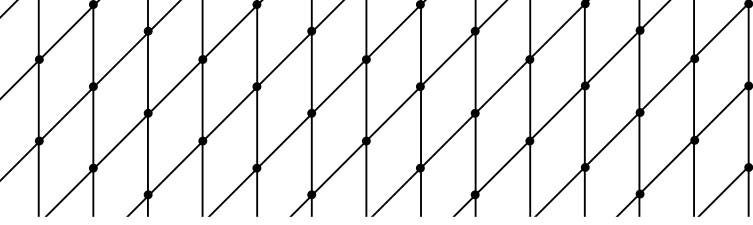


# 25-26 Restricted Revenues



Revenue Description	Amount
Spcial Education (Federal)	\$895,690
Title I, Part A	\$1,033,331
Title II, Part A	\$161,867
Other Federal Revenue	\$171,390
Lottery (Restricted)	\$324,255
ELO-P	\$1,200,000
ASES	\$113,997
CTEIG	280,890
Prop 28	\$590,392
Other State Revenue	\$1,342,020
Special Education (State)	\$3,357,840
Other Local Revenue	\$376,530
Total:	\$9,848,202





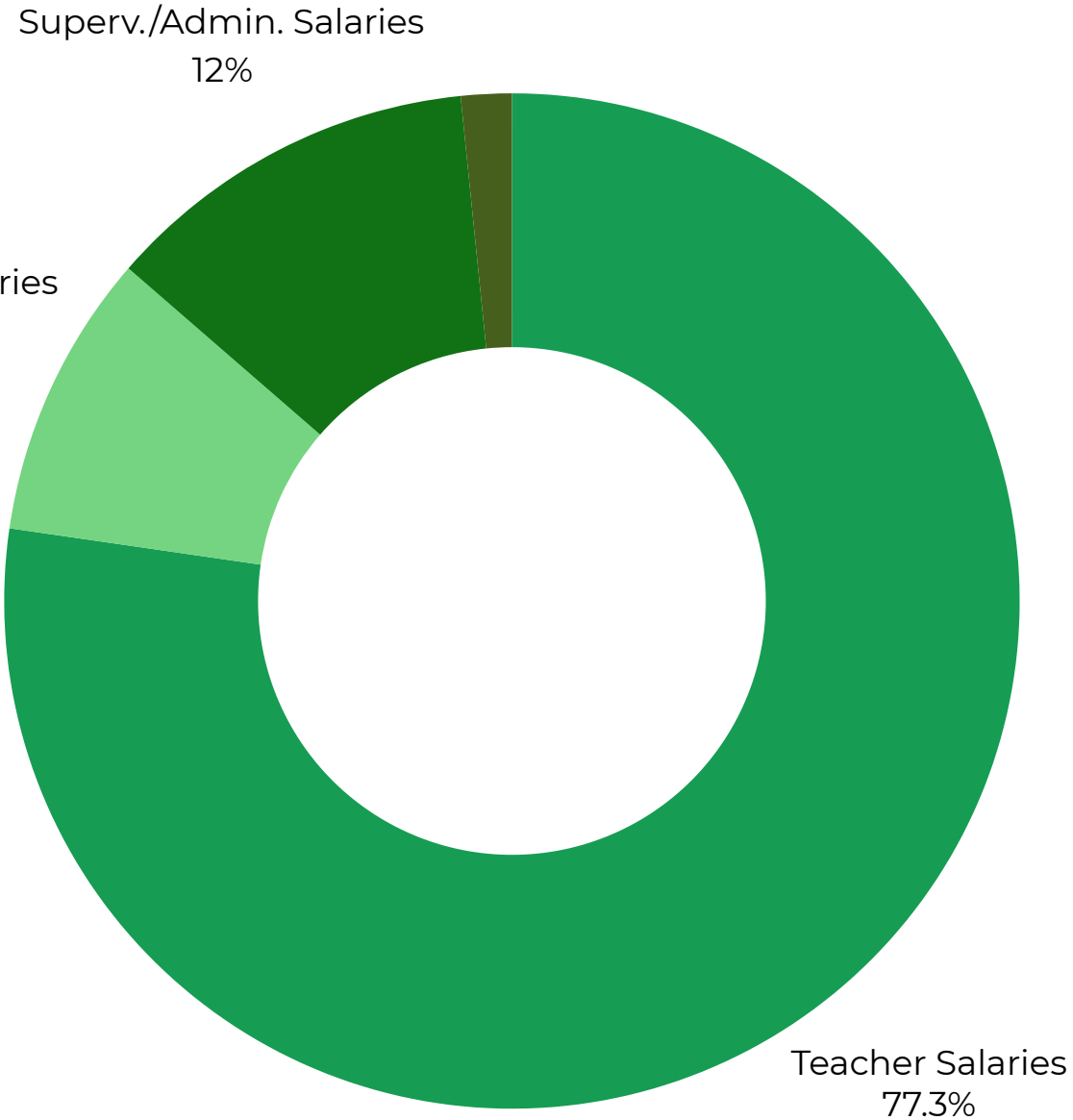
# Expenditures

## Unrestricted & Restricted

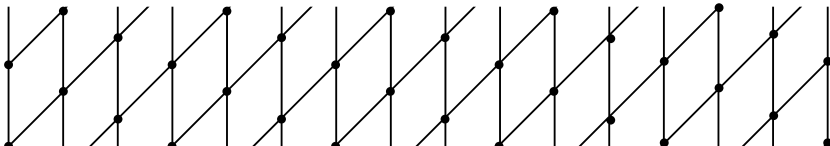




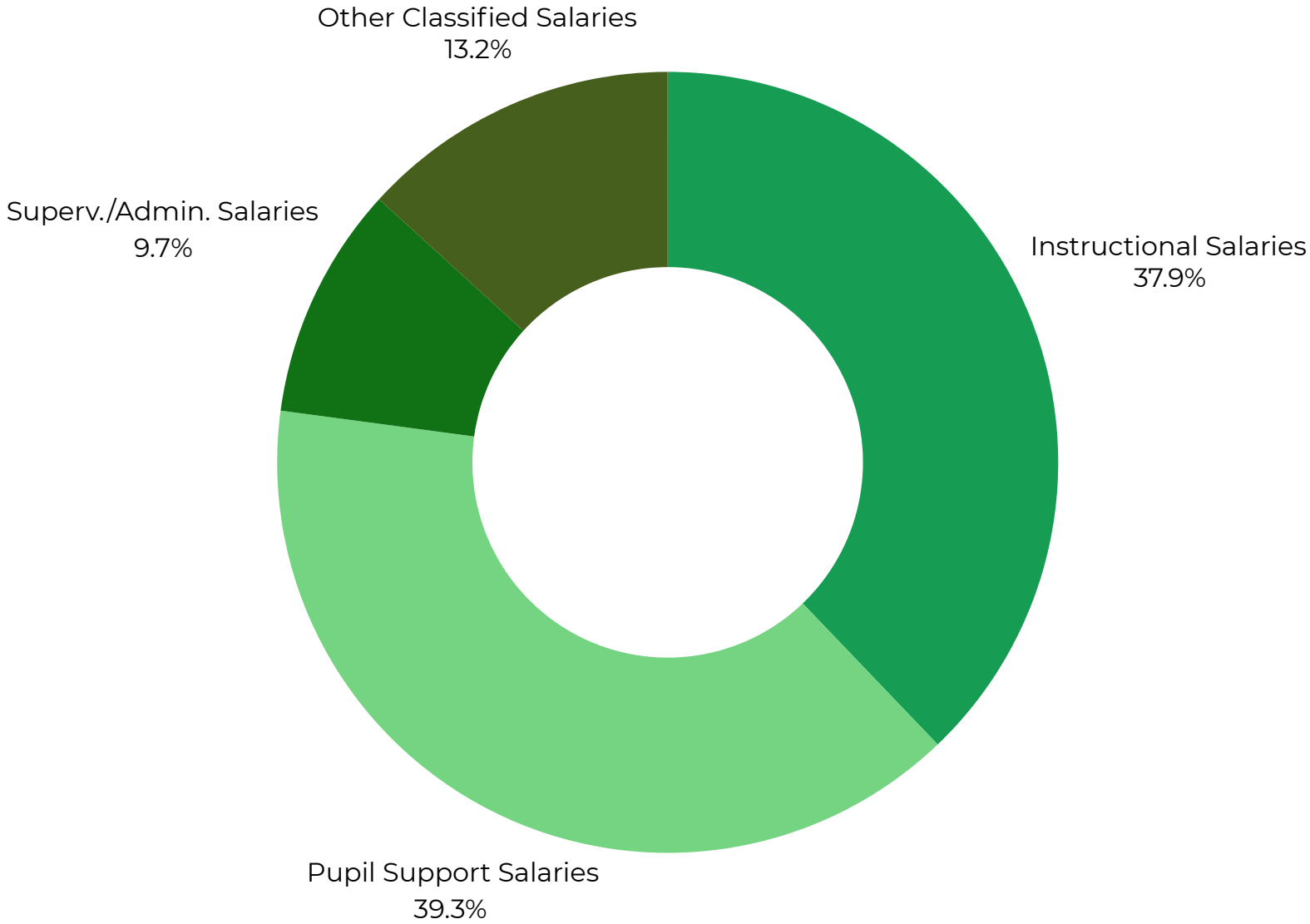
# 25-26 Expenditures - Certificated Salaries



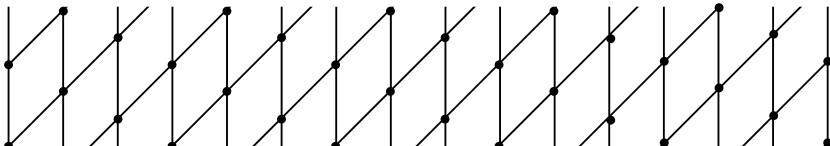
Salary Description	Unrestricted	Restricted	Total
Certificated Teacher	\$14,695,672	\$3,993,125	\$18,688,797
Certificated Pupil Support	\$1,134,654	\$1,062,139	\$2,196,792
Superv. & Administrator	\$2,282,883	\$622,066	\$2,904,949
Other Certificated Salaries	\$0	\$389,943	\$389,943
Total:	\$18,113,208	\$6,067,273	\$24,180,481



# 25-26 Expenditures - Classified Salaries

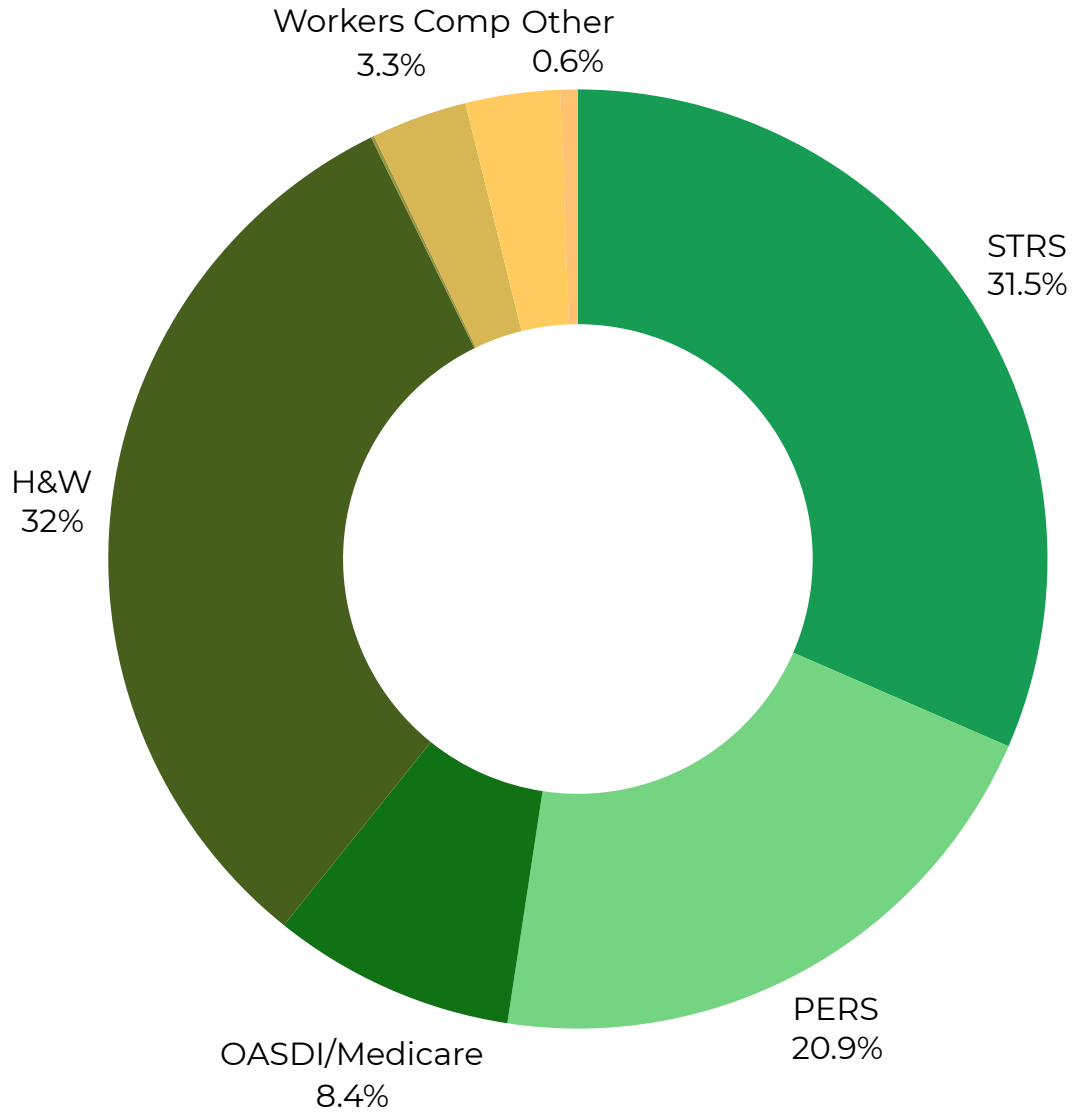


Salary Description	Unrestricted	Restricted	Total
Classified Instructional	\$1,516,399	\$2,550,936	\$4,067,335
Classified Support	\$3,528,855	\$690,546	\$4,219,400
Supervisor & Admin	\$888,292	\$150,767	\$1,037,059
Clerical, Technical, & Office	\$2,137,089	\$117,478	\$2,254,566
Other Classified Salaries	\$959,199	\$462,832	\$1,422,030
Total:	\$9,027,832	\$3,972,557	\$13,000,388

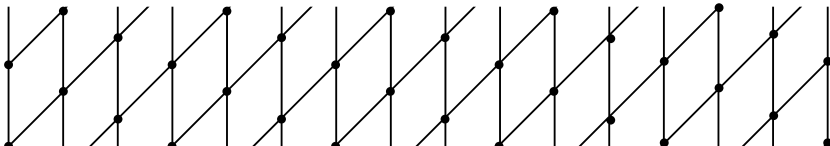




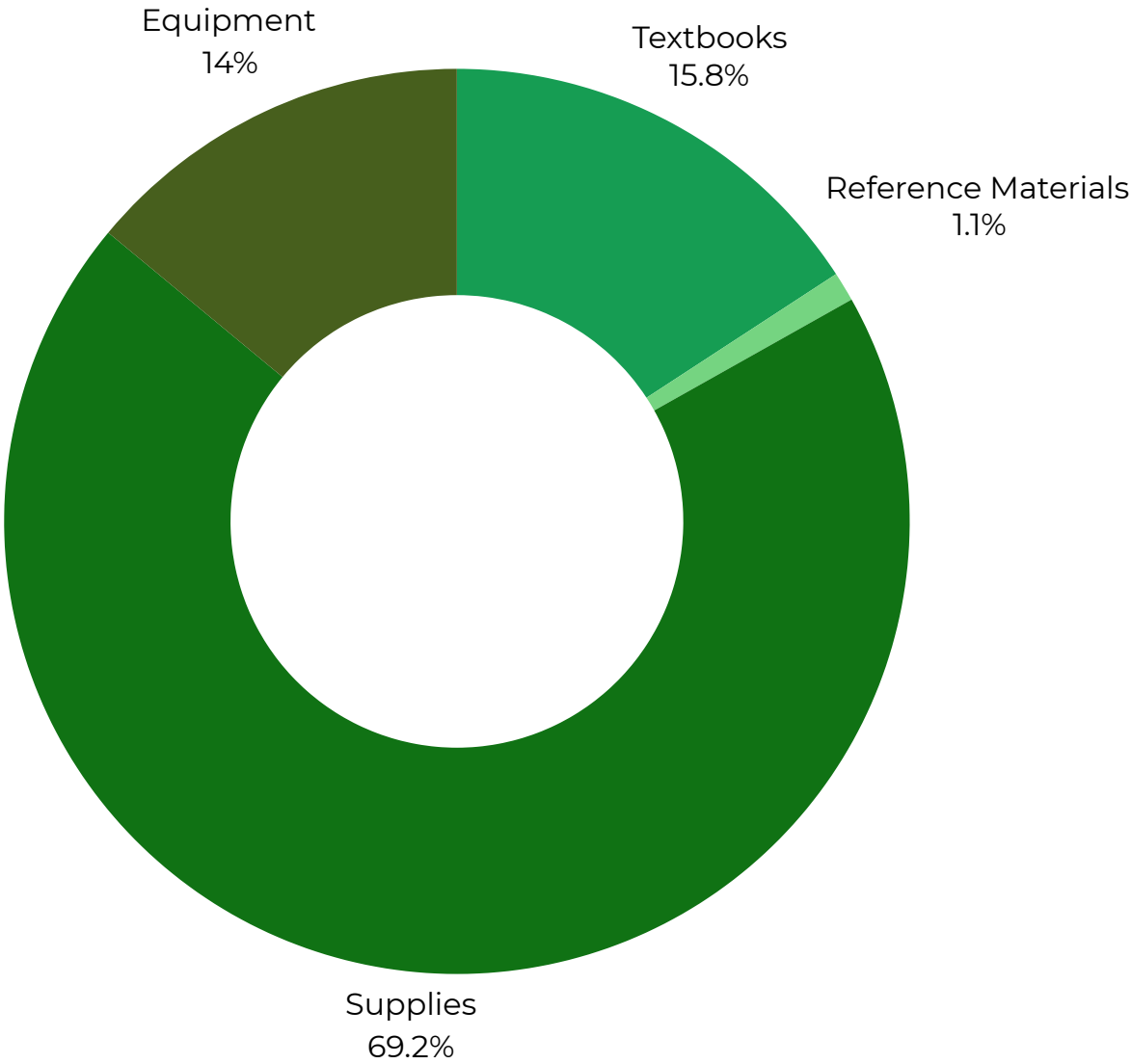
# 25-26 Expenditures - Employee Benefits



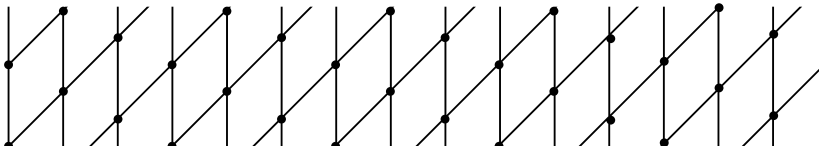
Benefit Description	Unrestricted	Restricted	Total
STRS	\$3,316,310	\$1,922,378	\$5,238,687
PERS	\$2,364,377	\$1,103,416	\$3,467,793
OASDI/Medicare	\$984,745	\$405,167	\$1,389,912
H&W	\$4,094,011	\$1,218,296	\$5,312,306
Unemployment Insurance	\$13,702	\$4,852	\$18,554
Worker' Compensation	\$403,775	\$143,865	\$547,639
OPEB	\$540,000	\$0	\$540,000
Other	\$100,000	\$0	\$100,000
Total:	\$11,816,918	\$4,797,972	\$16,614,889



# 25-26 Expenditures - Books & Supplies



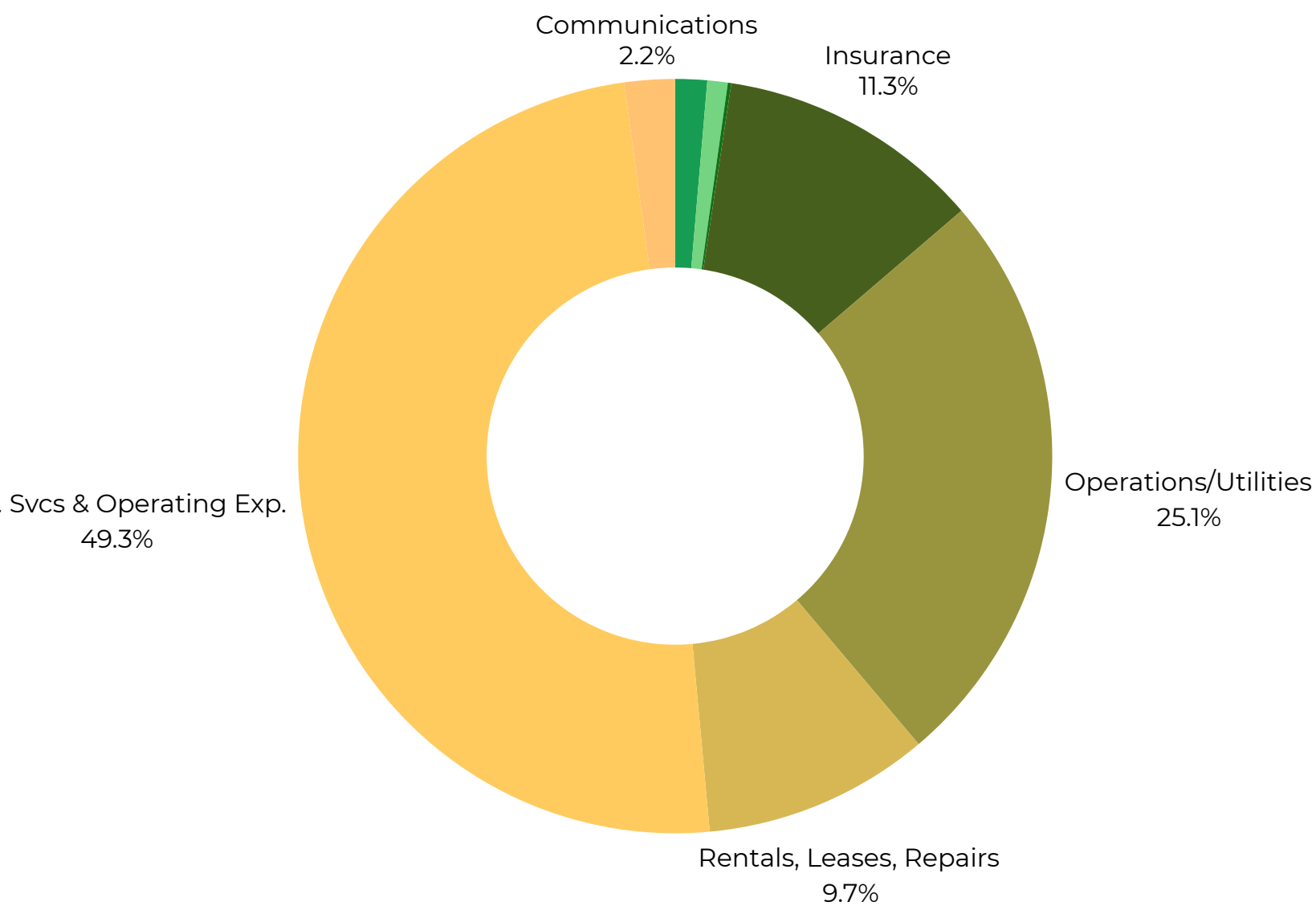
Supply Description	Unrestricted	Restricted	Total
Textbooks	\$156,245	\$352,255	\$508,500
Books & Reference Materials	\$32,800	\$1,000	\$33,800
Materials & Supplies	\$1,373,455	\$852,884	\$2,226,339
Noncapitalized Equipment	\$353,600	\$96,664	\$450,264
Total:	\$1,916,100	\$1,302,803	\$3,218,903





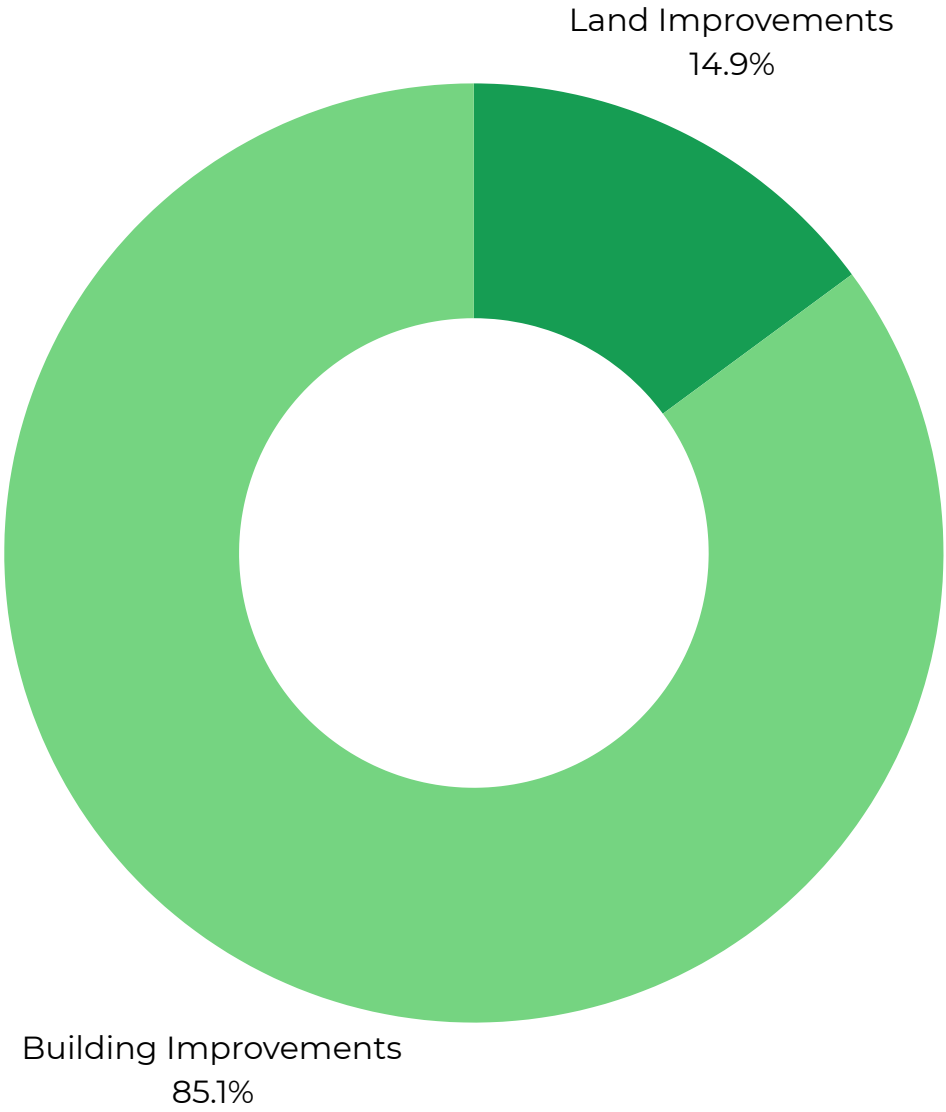
# 25-26 Expenditures - Services & Other

## Operating Expenditures

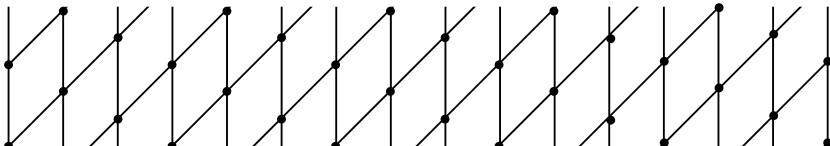


Services Description	Unrestricted	Restricted	Total
Agreements for Services	\$124,000	\$0	\$124,000
Travel & Conferences	\$37,100	\$42,364	\$79,464
Dues & Memberships	\$13,311	\$200	\$13,511
Insurance	\$1,025,311	\$7,175	\$1,032,486
Operations/Utilities	\$2,264,000	\$21,000	\$2,285,000
Rentals, Leases, Repairs, Improvements	\$527,770	\$356,000	\$883,770
Professional Services & Operating Expenditures	\$3,113,409	\$1,374,346	\$4,487,755
Communications	\$187,103	\$10,000	\$197,103
Total:	\$7,287,004	\$1,816,085	\$9,103,089

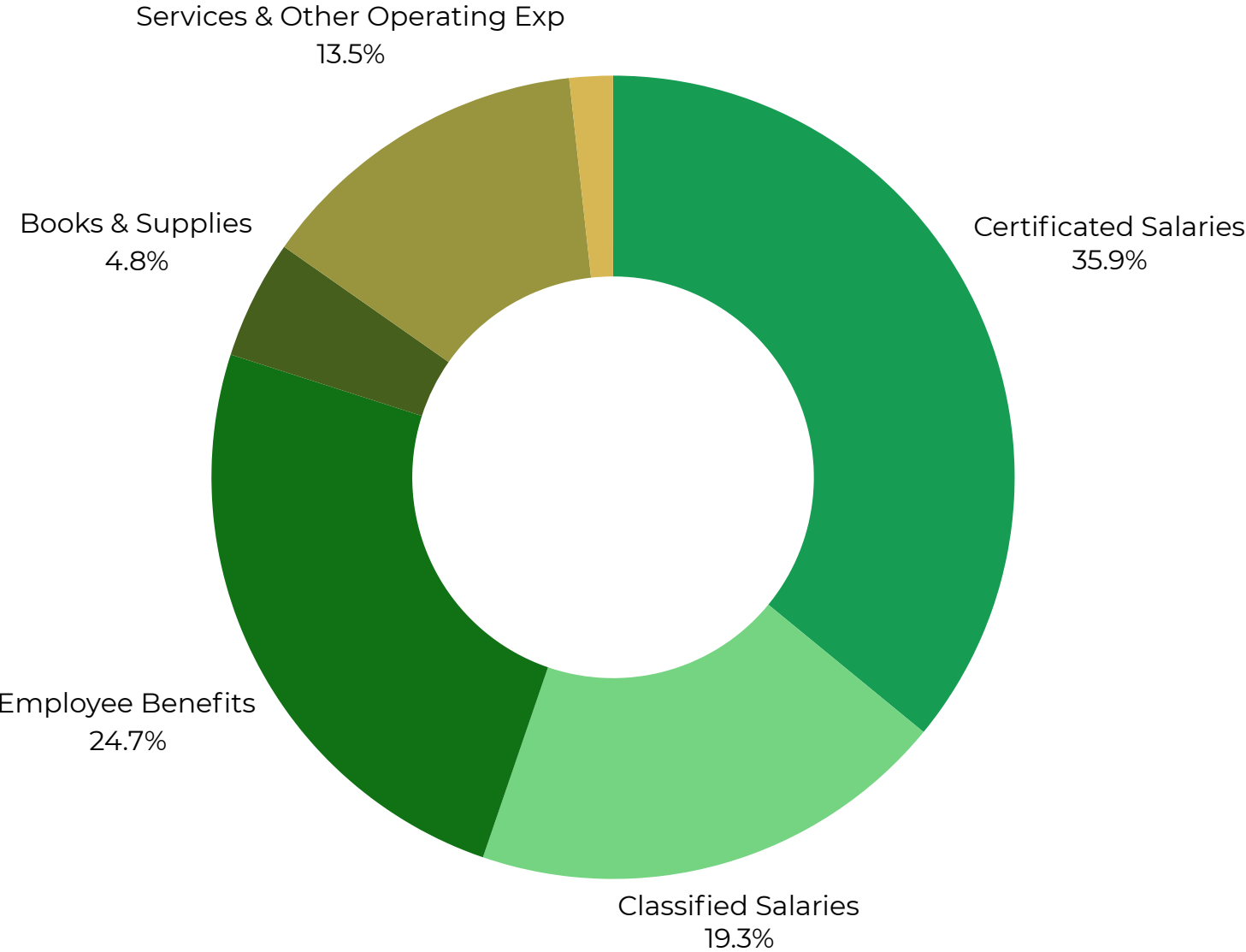
# 25-26 Expenditures - Capital Outlay



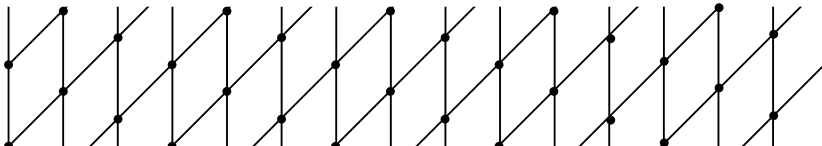
Capital Outlay Description	Unrestricted	Restricted	Total
Land Improvements	\$175,000	\$0	\$175,000
Building Improvements	\$0	\$1,000,000	\$1,000,000
Total:	\$175,000	\$1,000,000	\$1,175,000



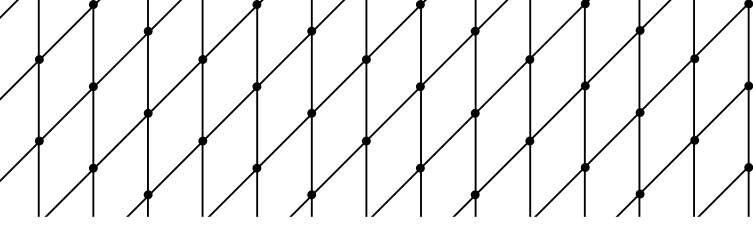
# 25-26 Expenditures - Total Expenditures



Expenditure Description	Unrestricted	Restricted	Total	% Change from FY 24-25
Certificated Salaries	\$18,113,209	\$6,067,273	\$24,180,481	2.0%
Classified Salaries	\$9,027,832	\$3,972,557	\$13,000,388	3.4%
Employee Benefits	\$11,816,918	\$4,797,972	\$16,614,889	0.0%
Books & Supplies	\$1,916,100	\$1,302,803	\$3,218,903	-32.6%
Services & Other Operating Expenditures	\$7,287,004	\$1,816,085	\$9,103,089	6.1%
Capital Outlay	\$175,000	\$1,000,000	\$1,175,000	-24.8%
Total:	\$47,938,058	\$19,902,379	\$67,840,436	-0.8%







# Multi-Year Projection

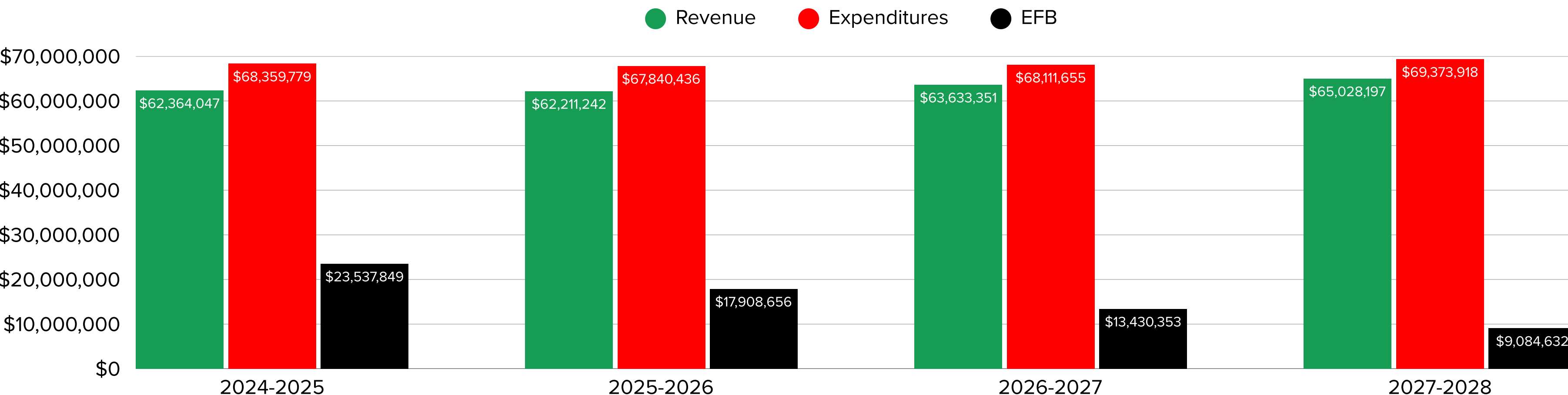
Ending Fund Balance &  
Available Reserves



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# Multi-Year Projection



## Total Revenues

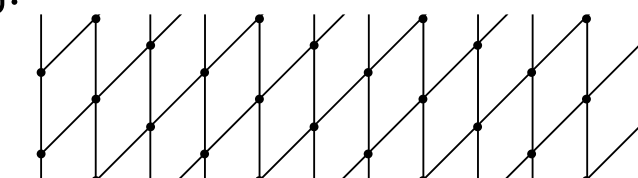
Revenues remain relatively stable over the four-year period, ranging from \$62.2 million to \$65 million, with only modest year-over-year increases.

## Total Expenditures

Expenditures consistently exceed revenues each year, rising from \$68.4 million in 2024–25 to \$69.4 million by 2027–28, creating ongoing structural deficits.

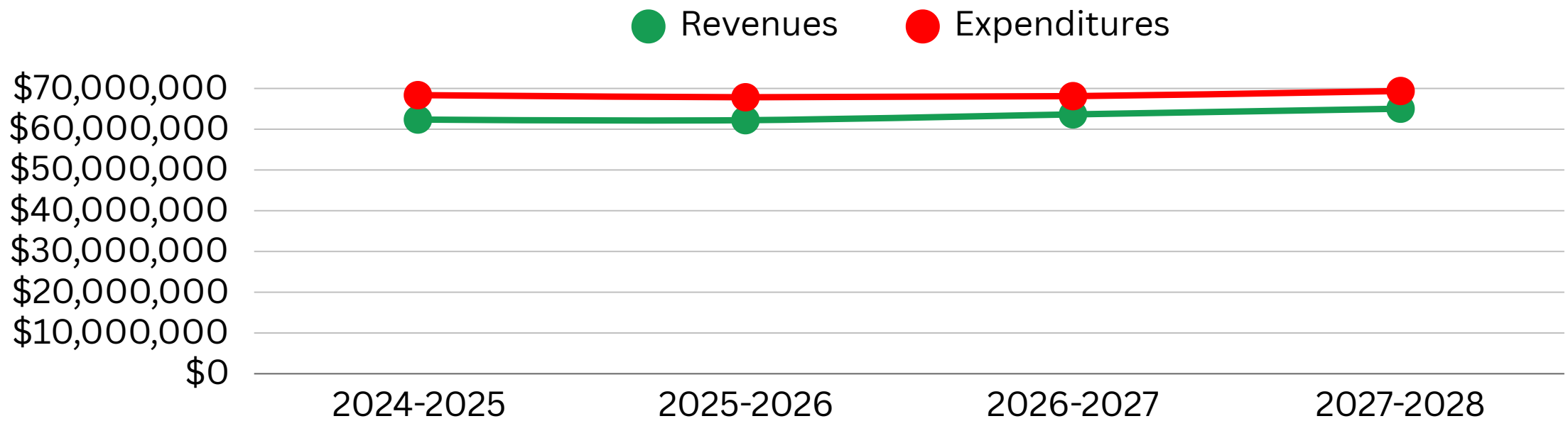
## Fund Balance

The Ending Fund Balance declines steadily from \$23.5 million in 2024–25 to \$9.1 million in 2027–28, reflecting the cumulative impact of deficit spending.

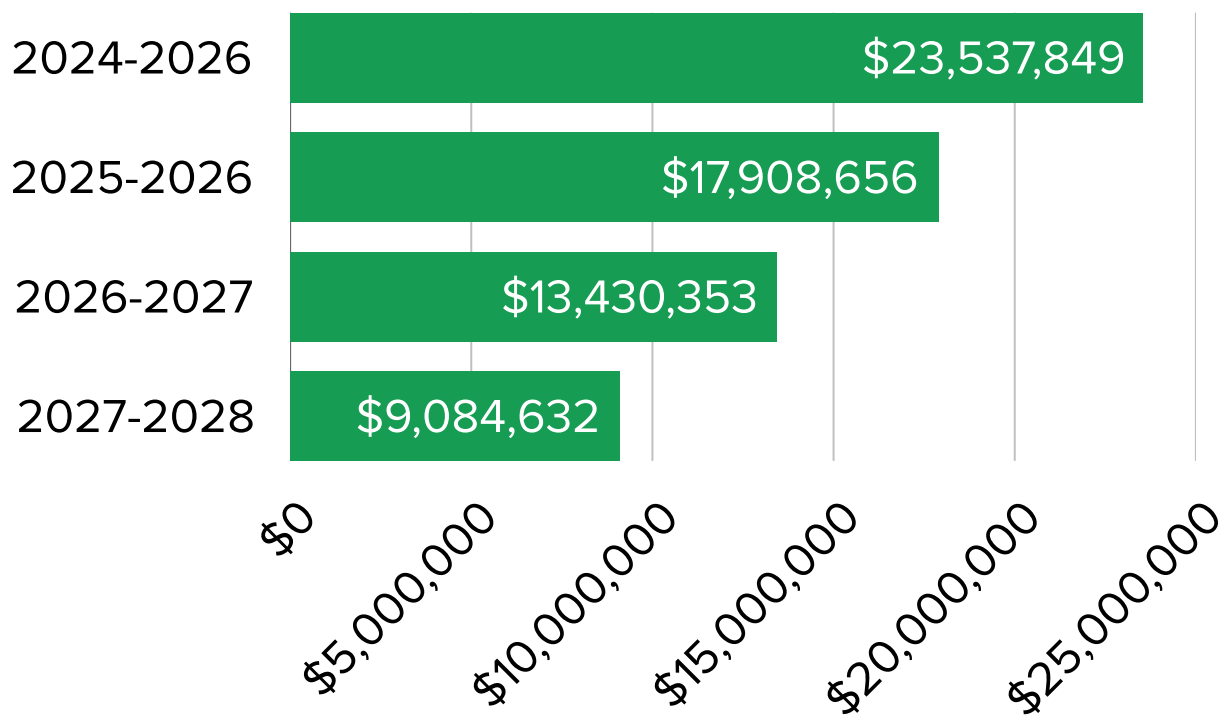


# Multi-Year Projection

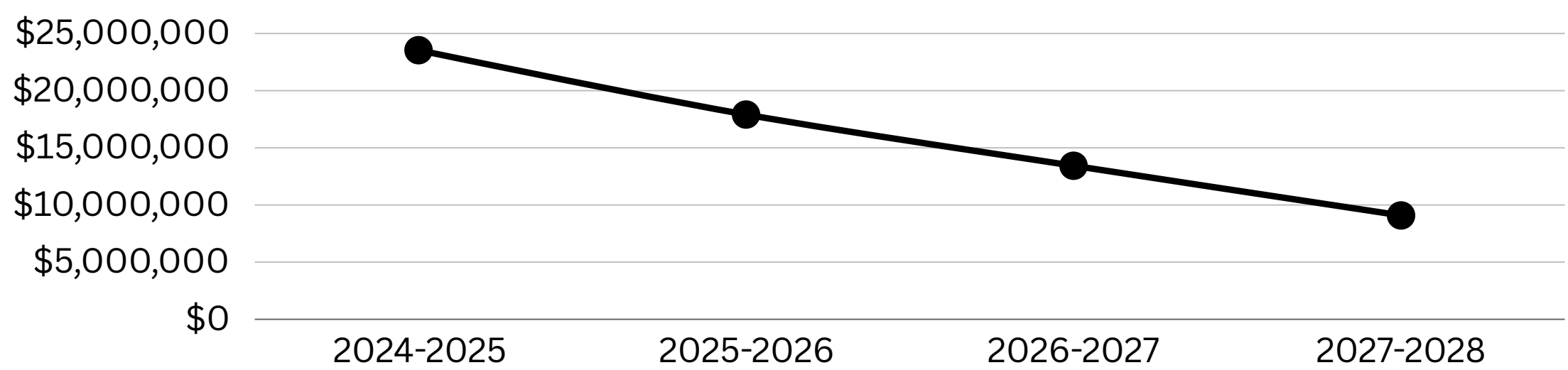
Total Revenue & Expenditures Trend



Total Ending Fund Balance

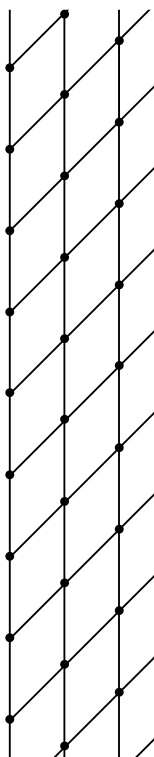


Ending Fund Balance



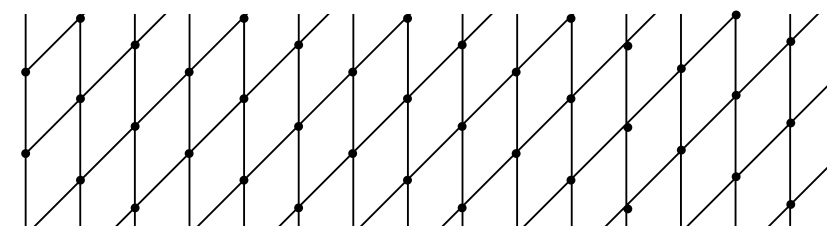
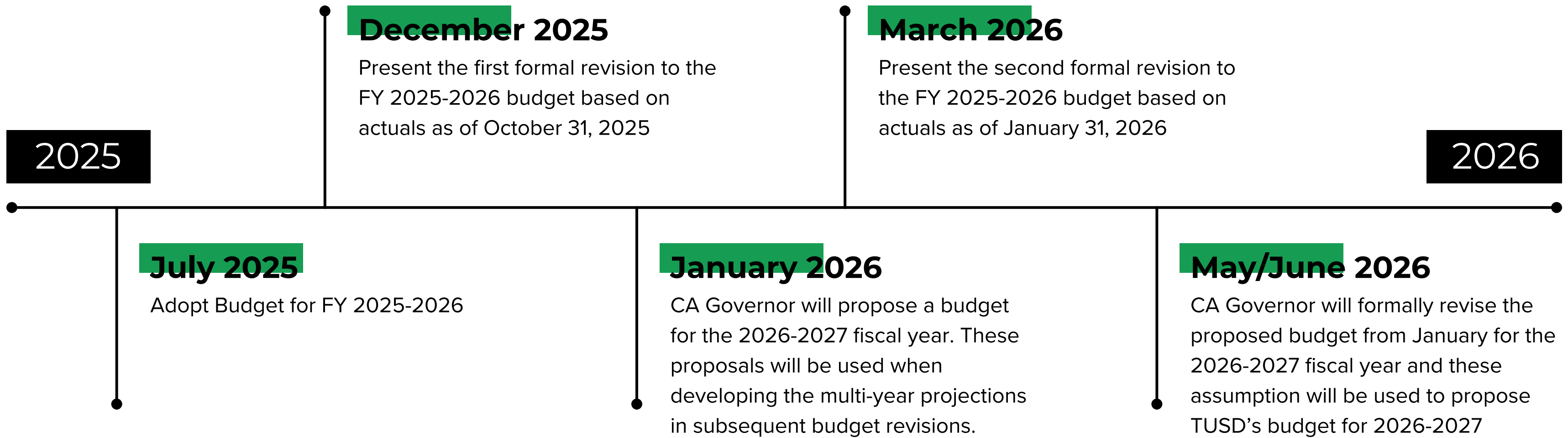
Available Reserves by %

2024-2025	6.01%
2025-2026	6.36%
2026-2027	6.42%
2027-2028	4.01%





# Timeline of Events





# Feel free to reach out to us if you have any question

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## Phone Number

661-822-2100

## E-mail

[hentezari@tehachapiusd.com](mailto:hentezari@tehachapiusd.com)

## Website

[www.tehachapiusd.com](http://www.tehachapiusd.com)