2026-27

Pacific Grove USD

BUDGET

Annual Review



Pacific Grove Unified School District

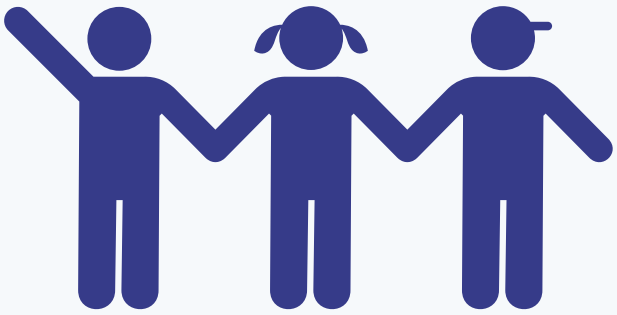


PGUSD Mission

In partnership with the community and with a focus on equity, Pacific Grove will challenge every student by providing a quality instructional program in a positive, safe and stimulating environment.

DISTRICT OVERVIEW

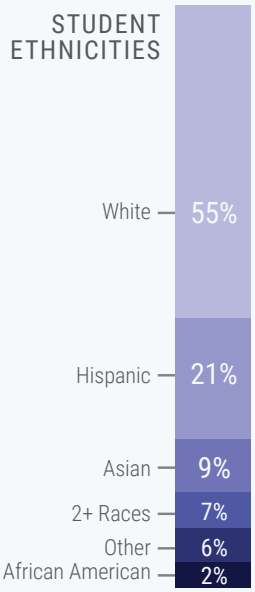
Pacific Grove Unified School District

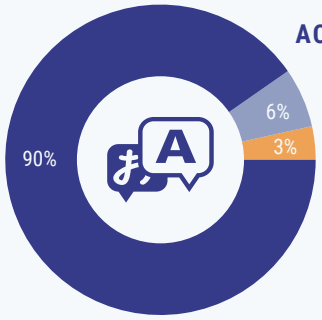


1,707 TK-12th grade **STUDENTS**

and over

1,800 Adult Education Students





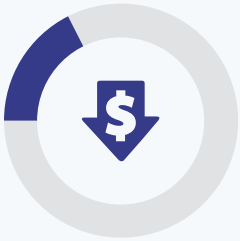
Proficient
in English since entering school

Reclassified
from English Learner to proficient

English Learner
not proficient in English

STUDENT GROUPS

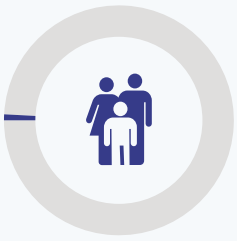
Supplemental & Concentration Grant funding is based on enrollment of "High Needs" students:



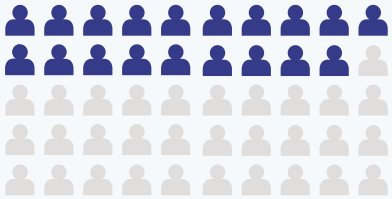
Low Income
18%



English Learner
3%



Foster Youth
<1%



19% of students classified as **High Needs**



306 EMPLOYEES

6 SCHOOLS



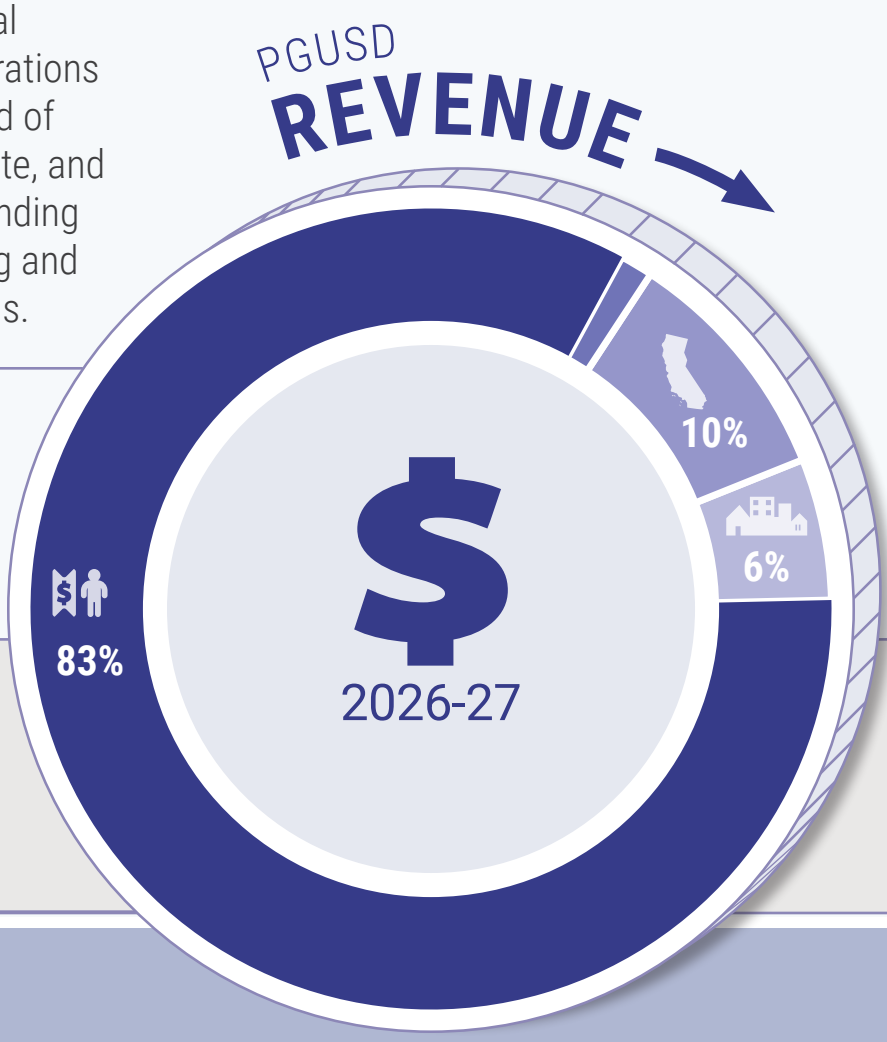
- **2** Elementary Schools
- **1** Middle School
- **1** High School
- **1** Continuation High School
- **1** Adult Education School

2 $ REVENUE BREAKDOWN

Where do our District's resources come from?

Our District's educational initiatives and daily operations are supported by a blend of local property taxes, state, and federal sources. This funding ensures the high standards of teaching and learning we strive for across all schools.

Federal State Local



Total Revenue for 2026-27:

$52,342,661

Funding Sources:

$43,587,339 LCFF Sources

PGUSD's LCFF Sources are funded primarily by local property taxes. The District receives only a small Minimum State Aid (MSA) allocation.

$694,447 Federal Funds

Federal funding comes from the U.S. Department of Education and other federal agencies and is typically earmarked for specific purposes.

$5,065,759 Other State Funds

Consists of non-LCFF funds allocated by the California Department of Education, to support general education and state-specific programs.

$2,995,116 Other Local Funds

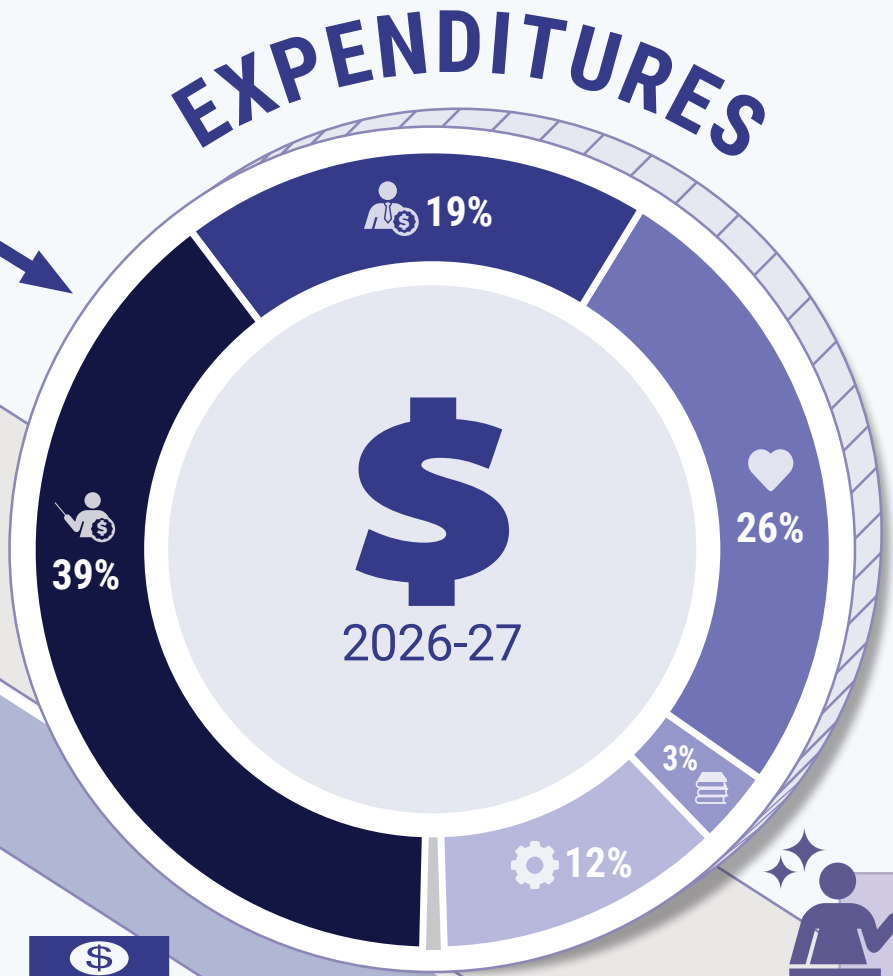
Other Local Funds include SELPA funding, local tuition, investment gains or losses, special education and local donations. These funds supplement LCFF and state programs to meet local priorities.

$ EXPENDITURE OVERVIEW

How are funds allocated across various needs?

PGUSD directs every dollar from our varied revenue streams towards achieving educational excellence. Here, we showcase the distribution of funds across key expenditure categories, reflecting our strategic financial management.

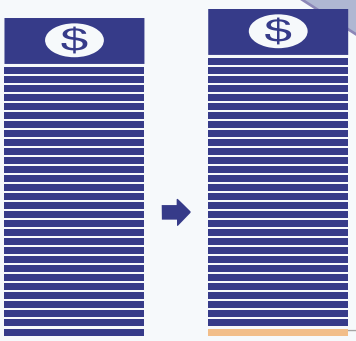
BREAKDOWN OF BUDGETED EXPENDITURES



EXPENDITURE CATEGORIES

- **Certificated Salaries** $20,714,114
- **Classified Salaries** $10,048,146
- **Employee Benefits** $13,671,589
- **Books and Supplies** $1,637,646
- **Services & Other Operating Expenses** $6,174,344
- **Capital Outlay/Other** $457,701

87.4% of expenditures are tied to PGUSD's highly qualified staff (salaries and benefits), compared with the California average of 80%.



In 2026–27, expenditures exceed revenue by **$361K**, covered by reserves. PGUSD's projected 11.4% reserve includes 2.6% in assignments and liabilities, leaving **8.8%** for economic uncertainty. The average Basic Aid district reserve exceeds 20%.

Total Budgeted Expenditures:

$52,703,540

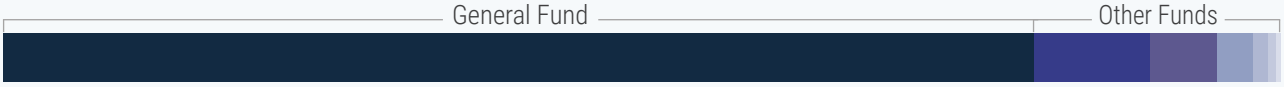
4 THE GENERAL FUND

How Is the General Fund allocated for District operations?

Funds are the financial pillars of our district, each established for a specific purpose. They are the categorized buckets into which our revenues are allocated and from which expenditures are drawn. This system ensures that each dollar is spent wisely and in accordance with both our educational objectives and regulatory requirements.



REVENUE by fund



EXPENDITURES by fund

GENERAL FUND

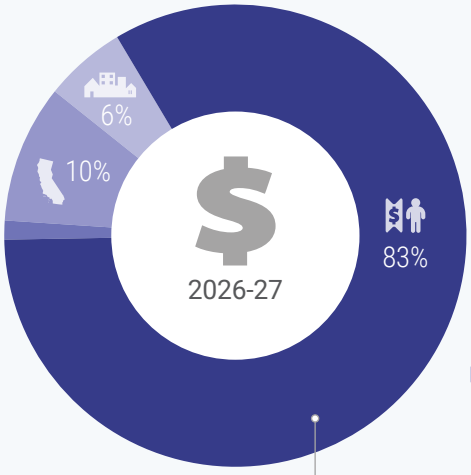
The General Fund serves as the cornerstone of our district's finances, supporting the essential day-to-day operations. This primary operating fund captures the majority of our transactions, with a clear distinction between unrestricted and restricted resources to ensure transparency and accountability.

FUND BALANCE

$7,934,251
as of July 1, **2026**

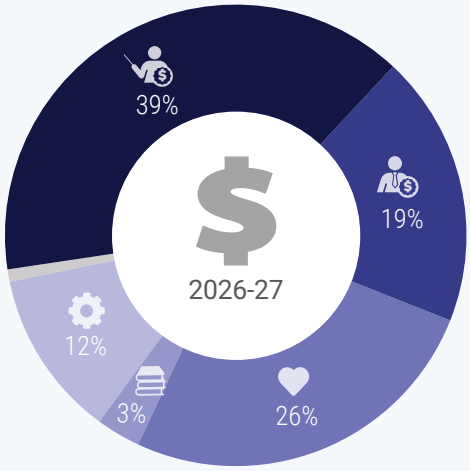
$7,573,372
as of June 30, **2027**

Revenue
$52,342,661



- **LCFF Sources** $43,587,339
- **Federal Funds** $694,447
- **Other State Funds** $5,065,759
- **Local Funds** $2,995,116

Expenditures
$52,703,540



- **Certificated Salaries** $20,714,114
- **Classified Salaries** $10,048,146
- **Employee Benefits** $13,671,589
- **Books and Supplies** $1,637,646
- **Services & Other Operating Expenses** $6,174,344
- **Capital Outlay/Other** $457,701

LCFF SOURCES

COMMUNITY-FUNDED MODEL

PGUSD is a community-funded (basic-aid) district, meaning local property taxes fully fund its LCFF entitlement, and more. The District receives only a small guaranteed state amount and does not receive LCFF Supplemental or Concentration grants.

Where do Our LCFF Funds Come?

Total LCFF: $43.6M



$0.3M
EPA (Education Protection Account)
State-distributed portion of local tax revenue

$2.5M
Base Grant (Minimum State Aid)
Small guaranteed state contribution

$40.8M
Local Property Tax Revenue
Local property taxes that fill most of PGUSD's LCFF entitlement

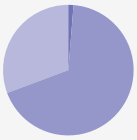
OVERVIEW OF OTHER DISTRICT FUNDS

What specific purposes do these additional funds serve?

FUND	REVENUE	EXPENDITURES	BALANCE

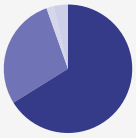
Adult Education

Supports adult education including ESL and vocational training programs.



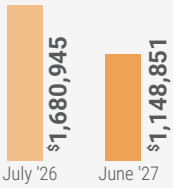
$2,889,178

$0 | $37,185 | $1,964,993 | $887,000



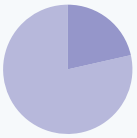
$3,421,272

$2,262,772 | $972,639 | $63,647 | $122,215 | $0



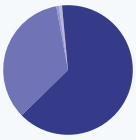
Child Development

Supports early childhood education, including preschool, before- and after-school programs, and nutrition services.



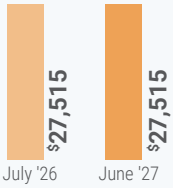
$771,033

$0 | $0 | $165,533 | $605,500



$771,033

$483,086 | $265,475 | $5,000 | $6,100 | $11,372



**Fund 12 receives a substantial $274K contribution from the Unrestricted General Fund because tuition revenue does not cover program expenses. This is an area to monitor.*

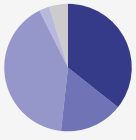
Cafeteria

Manages meal services across schools, ensuring healthy food standards.



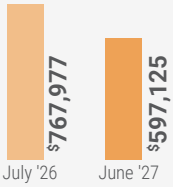
$1,654,810

$0 | $355,225 | $1,291,585 | $8,000



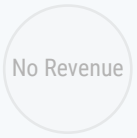
$1,825,662

$651,008 | $293,724 | $745,500 | $47,530 | $87,900



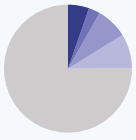
Building Fund

Utilizes bond proceeds for authorized construction and property deals, ensuring facilities meet educational standards.



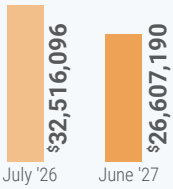
$0

$0 | $0 | $0 | $0



$5,908,906

$315,385 | $171,115 | $470,000 | $513,785 | $4,438,621



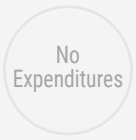
Capital Facilities

Accounts for developer fees for school infrastructure development.



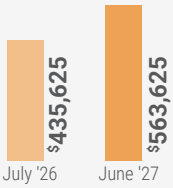
$128,000

$0 | $0 | $0 | $128,000



$0

$0 | $0 | $0 | $0 | $0



Student Activity

Accounts for student body (ASB) activities and fundraising at school sites.



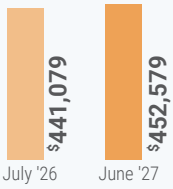
$434,000

$0 | $0 | $0 | $434,000



$422,500

$0 | $0 | $172,500 | $250,000 | $0



OTHER FUNDS

Deferred Maintenance	Revenue: $15,000	Expenditures: $66,000	Balance: $714,576
Capital Outlay	Revenue: $315,000	Expenditures: $160,000	Balance: $638,806
Postemployment Benefits	Revenue: $0	Expenditures: $0	Balance: $7,045

Revenue Sources: LCFF | Federal | Other State | Local

Expenditure Categories: Salaries | Benefits | Supplies | Services | Other

6 MULTI-YEAR FINANCIAL FORECAST

What does our financial future look like?

Our multi-year budget projections provide a forward-looking financial snapshot, anticipating changes and planning for sustainability. These projections reflect anticipated trends in funding, expenditures, and reserves, setting a roadmap for the district's fiscal management.

2026 — GENERAL FUND **3-YEAR PROJECTIONS** — 2029

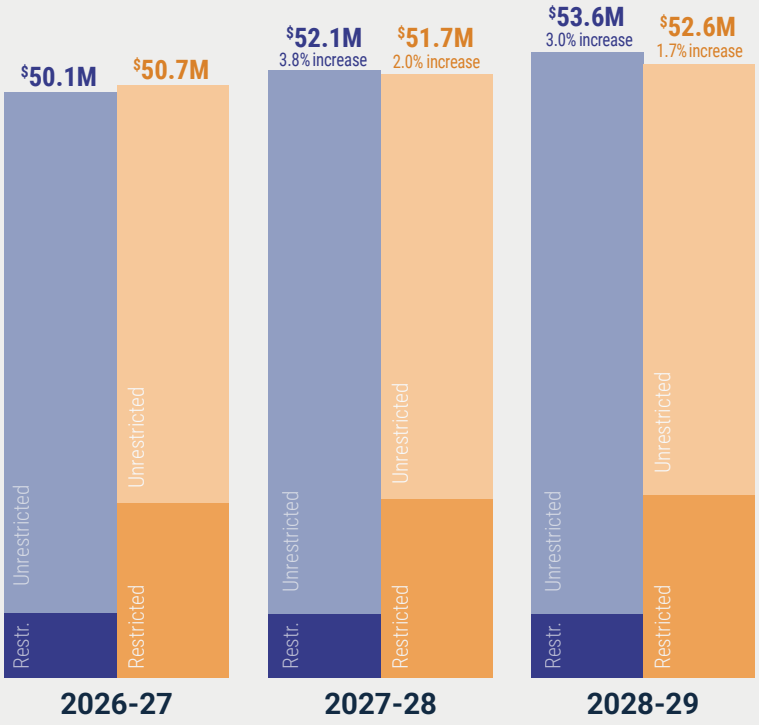
UNRESTRICTED FUNDS

The General Fund's Unrestricted portion finances the core of our district's day-to-day operations. This includes general educational programs and Lottery funds, allowing for adaptability and responsiveness to our district's immediate operational needs.

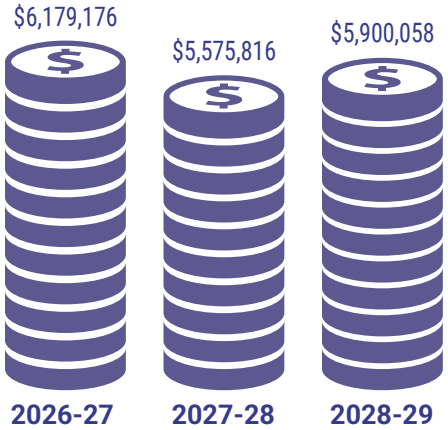
RESTRICTED FUNDS

Within the General Fund, restricted funds support services such as Home-to-School Transportation, Special Education, and certain grants. These funds are tracked to ensure proper use. Under Board Policy 3100, restricted programs should operate within their designated funding rather than rely on the Unrestricted General Fund.

REVENUE **EXPENDITURES**

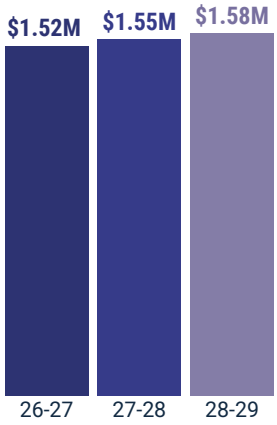


GENERAL FUND BALANCE



RESERVE FOR ECONOMIC UNCERTAINTY

PGUSD meets the state's required 3% Reserve for Economic Uncertainty (REU) and maintains an additional 2% under Board Policy 3100, for a total of 5% of General Fund expenditures. School Services of California and the Government Finance Officers Association (GFOA) suggest that basic-aid districts maintain reserve levels of 19%–22% of their annual expenditures.

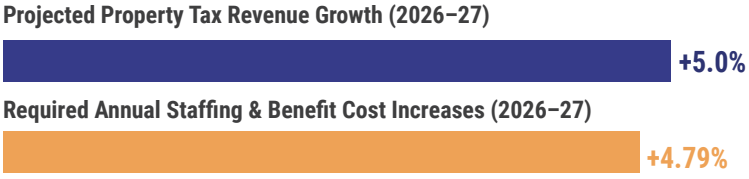


BALANCING LOCAL STRENGTHS & RISING COSTS

How PGUSD sustains stability through community-funded revenue and responsible cost management.

PGUSD's community-funded model provides a stable financial foundation, strengthened by steady growth in local property tax revenue. At the same time, annual increases in staffing and benefit costs absorb nearly all of that growth, leaving a small gap that requires careful long-term planning.

REVENUE GROWTH VS COST PRESSURES



Property tax revenue is projected to increase by 5.0%, while required annual increases in staffing and benefit costs, including negotiated settlements, are projected at 4.79%. These pressures leave limited capacity to cover other rising expenses.

What's Driving PGUSD's 2026–27 Budget

Collective Bargaining

+2.5%

average salary schedule increase

Negotiated adjustments for certificated, classified, and management staff in 2026–27.

Health & Welfare Benefits

+9.79%

projected increase in health benefit costs

Reflects statewide premium growth and contractual benefit enhancements.

Local Property Taxes

≈78%

of General Fund revenue

Stable local tax base continues to drive PGUSD's community-funded model.

Pacific Grove Unified School District's

success is rooted in the strength of its community. Together, families, educators, and local partners help ensure that every dollar supports high-quality teaching and learning for Pacific Grove students, today and in the years ahead.



As a Basic Aid district, PGUSD benefits from a stable, community-funded revenue base that grows with local property values. This strong foundation allows the district to prioritize investments in its staff and programs while carefully managing rising costs through strategic staffing and long-term fiscal planning.

Questions?

For more information about PGUSD's 2026-27 Budget, visit pgusd.org or contact:

Joshua Jorn
Assistant Superintendent, Chief Business Official
(831) 646-6509
josh.jorn@pgusd.org

Pacific Grove Unified School District
435 Hillcrest Avenue,
Pacific Grove, CA 93950

2026-27

Pacific Grove USD's

BUDGET

ANNUAL REVIEW





PACIFIC GROVE UNIFIED SCHOOL DISTRICT

A PARTNERSHIP IN EXCELLENCE

2026-27

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Contact Us

Pacific Grove USD
Phone: (831) 646-6553
Website: www.pgusd.org

To learn more about PGUSD's budget and LCAP priorities, scan the QR code or visit www.pgusd.org.

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