

GATEWAY UNIFIED SCHOOL DISTRICT

2024-25 First Interim Budget Update

December 18, 2024



District Net Worth

	Est. June 30, 2025 Balance
Fund 01	\$ 23,210,073
Fund 08 – Student Body	151,904
Fund 13 – Cafeteria	1,002,719
Fund 20 – Post Emp Benefits	447,078
Fund 21 – Capital Building (Balance of Bond)	74
Fund 25 – Developer Fees	3,612,360
Fund 40 – Capital Outlay Projects	972,366
	\$ 28,424,208
Fund 51/52 – Bond Financing (Not included in Net Worth)	2,357,074

REVENUES – Fund 01

	Adopted Budget	1st Interim	Difference	Notes
LCFF	30,614,427	30,739,039	124,612	Increase in unduplicated pupil count which increases amount allocated for supplemental & concentration funds.
Federal	2,685,116	3,207,483	522,367	Carryover for Title 1 and CSI funds
State	4,650,111	5,486,772	836,661	Golden State Pathway Grant
Local	2,870,169	3,355,695	485,526	MediCal funds received from prior year audits. Local funds are budgeted as received.
Interfund Transfers In	100,000	100,000	-0-	
Total Revenue	\$ 40,919,823	\$ 42,888,989	\$ 1,969,166	
Estimated Funded ADA	2,022.31	2,019.63	(2.68)	ADA adjusted for CBEDS data for enrollment. Affected the 3 yr average funded ADA

EXPENSES

	Adopted Budget	1st Interim	Difference	Notes
Certificated Salaries	15,205,700	14,902,011	(303,689)	Reduction in budgeted vacancies and filling vacancies at a lower cost. Reduced the budget for the 3 speech pathologists and increased the contract for those services.
Classified Salaries	8,403,305	8,391,141	(12,164)	
Benefits	9,312,334	9,294,684	(17,650)	
Books/Supplies	3,466,705	3,946,606	479,901	Budgeted carry-over funds from 2023-24 close
Services/Operations	7,286,076	8,987,994	1,701,918	Increased contracted services for Special Education, budgeted estimates for Title I, CSI, Learning Recovery & Cafeteria training funds.
Capital Outlay	48,166	369,025	320,859	Budgeted expenses related to the Golden State Pathway Grant.
Other Outgo	453,686	453,686	-0-	
Direct/Indirect Support Costs	(74,278)	(64,935)	9,343	Adj to Indirect costs from Cafeteria Fund
Interfund Transfers Out	105,000	105,000	-0-	
Total Expenses	\$ 44,206,694	\$ 46,385,212	2,178,518	

ENDING BALANCE – Fund 01

	Adopted Budget	1 st Interim	Difference
Beginning Balance	24,524,894	26,706,296	
Increase/(Deficit)	(3,286,871)	(3,496,223)	
Ending Balance	\$ 21,238,023	\$ 23,210,073	\$ 1,972,050

RESERVES

	1st Interim Projection	
Ending Balance	23,210,073	
Revolving Cash/Prepays	46,541	
Restricted Reserves	5,457,846	12.69%
Assigned Reserves	7,918,513	18.41%
Economic Uncertainty	7,746,805	18.0%
Total Unrestricted Reserves		36.41%

Reserves

ASSIGNED/BOARD DESIGNATED	
Unrestricted Lottery	\$ 564,561
Deferred Maintenance	650,000
Technology Reserve (Chromebook purchase)	811,844
Mandated Costs	2,298,092
Forest Reserves	1,053,785
SPED Reserves (placement, etc)	160,864
MAA	1,534,921
15% Board Designated Economic Uncertainty	6,981,892
3% State Economic Uncertainty	1,391,556
TOTAL ASSIGNED/DESIGNATED	\$ 15,447,515

COMMITTED / LEGALLY RESTRICTED	
ELO-P	\$ 426,975
Educator Effectiveness BG	298,729
Scholarships	318,510
LCFF Equity Multiplier	369,000
SPED PreK Intervention	42,696
Art, Music & Inst Material Discr. BG	452,649
Learning Recovery – District Restricted	1,510,422
Mental Health (Educationally Related)	134,835
Golden State Pathway Grant	518,785
Lit Coach Reading Specialist Grant (GEO)	337,961
RDA Funds	1,002,524
MediCal BOP	1,125,534
COVID Supplies	33,995
Restricted Lottery	1,008,648
Classified PD BG	5,880
Prop 28 – Arts & Music	128,874
TOTAL COMMITTED	\$ 7,716,017

MULTI-YEAR PROJECTIONS

2025-26 & 2026-27

Multi-Year Assumptions

- COLA:
 - 2025-26 = 2.93%
 - 2026-27 = 3.08%
- ADA:
 - 2025-26 = 1963.77 (41.31) - Funded ADA 2004.25 (15.38)
 - 2025-26 = 1919.32 (66.92) - Funded ADA 1977.29 (26.96)
- Revenues:
 - Adjusted in both years to reflect new LCFF calculations.
 - 2025-26 – Increased by \$1,152,233
 - 2026-27 – Increased by \$928,020
 - Reduction in estimates for Federal funding due to declining enrollment from allocations based on ADA.
 - State revenues to decrease in 2025-26 due to not having revenues in from Golden State Pathways Grant. No changes to revenues in 2026-27.
 - Local revenues projected to decline in 2025-26 due to local grants and donations not being budgeted until received. No changes in 2026-27.

Multi-Year Assumptions

- Staffing:
 - 2025-26 – Step & Column is budgeted. Savings from attrition due to retirement is budgeted. No changes to STRS rate and an increase to the PERS rate of 0.35% to 27.40%.
 - 2026-27 – Step & Column is budgeted. No reduction to staffing levels. Estimate savings from retirement attrition. No change to STRS rate and an increase to the PERS rate of 0.10% to 27.50%.
- Expenses: Reduced expenses for all one-time purchases and contracts as they were related to the expiring Block Grant funds in both subsequent years. Also reduced all capital purchases in both subsequent years.
- Deficit Spending: The District is working to reduce the deficit spending as we are exhausting one time funds. There is still a substantial amount of funds received as block grants that we will reflect as deficit spending as we finish through 2027-28.

MYP ...

	2024-25	2025-26	2026-27
Revenues	42,888,989	40,977,772	41,855,792
Expenses	46,385,212	43,021,140	42,711,189
Increase/(Deficit)	(3,496,223)	(2,043,368)	(855,397)
Ending Balance	\$ 23,210,073	\$ 21,166,705	\$ 20,311,308
Economic Uncertainty Reserve	8,349,338 18.0%	7,743,805 18.0%	7,688,014 18.0%
Total Unrestricted Reserve	15.3%	18.41%	16.91%
TOTAL RESERVES	49.94%	49.09%	47.45%

Future Indicators to watch....

- Staffing shortages
 - TK Adult to student ratio. Next year and moving forward 10:1.
- Deadlines for spending one-time funds
- Inflation / Recession
- Deficit Spending
- ADA decline



Board Action Requested:

It is recommended that the Board approve the 2024-25 First Interim Budget report with a POSITIVE certification. The Gateway Unified School District is capable of meeting our financial obligations for the current year and two subsequent year.

THANK YOU