



2025-26 SECOND INTERIM FINANCIAL REPORT

March 19, 2026

TOPICS

- Types of Certifications
- Overview of Revenue and Expenditures as of Second Interim
- Updated Multi-Year Projection
- Required Certification

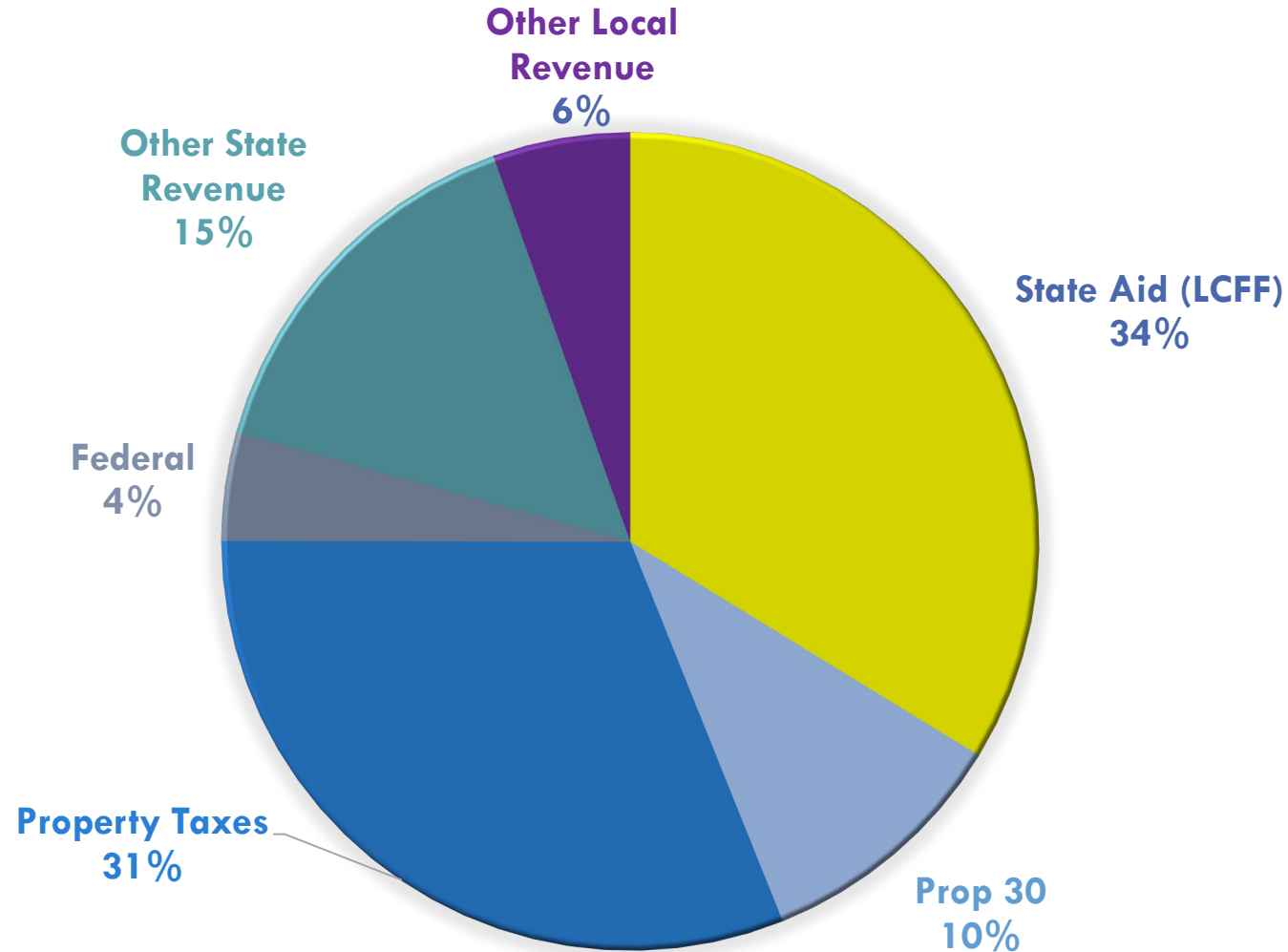
TYPES OF INTERIM CERTIFICATIONS

1. Positive Certification – Certify that District will be able to meet its financial obligation for the current and subsequent two fiscal years.
2. Qualified – may not meet
3. Negative – will not be able to meet

GUSD's Second Interim is self-certified as "Positive"

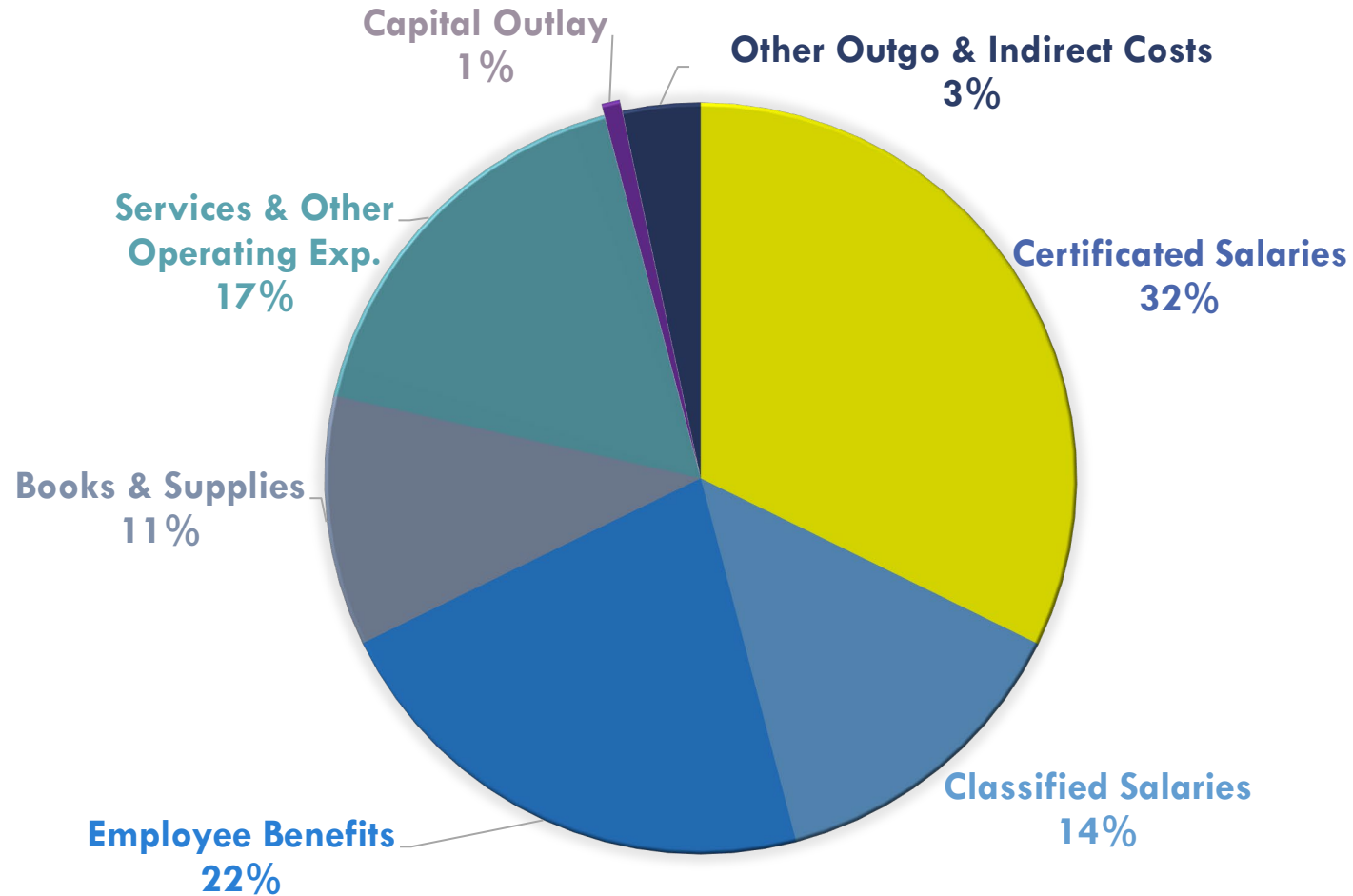
2025-26 SECOND INTERIM TOTAL GENERAL FUND REVENUES

\$186,266,029



2025-26 SECOND INTERIM TOTAL GENERAL FUND EXPENDITURES

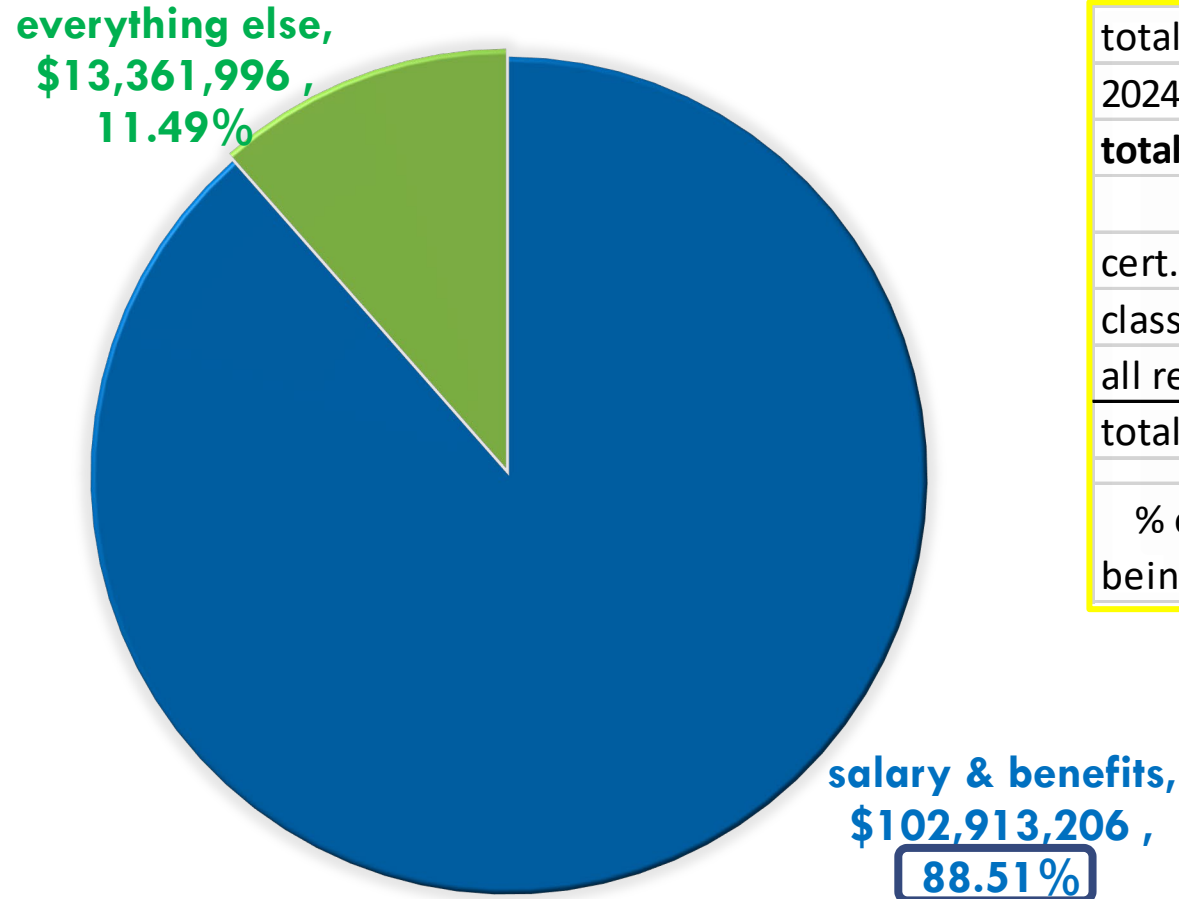
\$215,813,909



Total General Fund expenditures include grants, entitlements, donations, which have spending restrictions.

GUSD 2025-26 UNRESTRICTED GENERAL FUND EXPENDITURES

(ADJUSTED FOR CARRYOVER!)



| | |
|---|-----------------------|
| total unrest. expenditures | \$ 121,256,263 |
| 2024-25 carryover | \$ - 4,981,061 |
| total on-going expenditures | \$ 116,275,202 |
| cert. salaries | \$ 54,831,505 |
| class. Salaries | \$ 18,629,604 |
| all related benefits | \$ 29,452,097 |
| total | \$ 102,913,206 |
| | |
| % of unrestricted budget being spent on sal + benefits | 88.51% |

The unrestricted GF expenditures exclude state and federal sources.

Note: includes carryover of \$4,981,061 from 2024-25

SECOND INTERIM VS. FIRST INTERIM

| | Second Interim | First Interim | Difference |
|--------------------------------------|----------------------|----------------------|-------------------|
| Revenue | \$ 139,320,915 | \$ 138,821,769 | \$ 499,146 |
| Expenditures | \$ 121,256,263 | \$ 121,219,774 | \$ 36,489 |
| Excess/(Deficiency) | \$ 18,064,652 | \$ 17,601,995 | \$ 462,657 |
| Other financing & contributions | \$ (30,670,133) | \$ (30,670,133) | \$ - |
| Net Inc/Decr to Fund Balance | \$ (12,605,481) | \$ (13,068,138) | \$ 462,657 |
| Beg. Fund Balance | \$ 44,898,342 | \$ 44,898,342 | \$ - |
| Ending Fund Balance | \$ 32,292,861 | \$ 31,830,204 | \$ 462,657 |
| Revolving cash | \$ 100,000 | \$ 100,000 | \$ - |
| 10% Min. Unrestricted Reserve | \$ 21,581,391 | \$ 21,465,386 | \$ 116,005 |
| Board Commitments (Prop 2) | N/A | N/A | N/A |
| % of Unrest. Reserve | 14.92% | 14.78% | 0.14% |

BALANCES OF ONE-TIME FUNDS

| FUND | RESOURCE/COST CENTER CODE | PROGRAM NAME | SPENDING DEADLINES | BALANCE as of 03/04/26 Actuals & Encumbrances |
|------|---------------------------|--|--------------------|---|
| 010 | 7032 | CHILD NUTRITION: APPORTIONMENT FOR KITCHEN INFRASTRUCTURE AND TRAINING FUNDS 22-23 | 6/30/2025 | \$ 55,206.26 |
| 010 | 7033 | SCH FOOD BEST PRACTICES | 6/30/2026 | \$ 12.79 |
| 060 | 6019 | STUDENT SUPPORT AND PROFESSIONAL DEVELOPMENT DISCRETIONARY BLOCK GRANT | 6/30/2029 | \$ 2,950,284.00 |
| 060 | 6053 | CHILD DEV: UNIVERSAL PREKINDERGARTEN (UPK) | 6/30/2026 | \$ 11,315.97 |
| 060 | 6266 | EDUCATOR EFFECTIVENESS BLOCK GRANT | 6/30/2026 | \$ 39,943.40 |
| 060 | 6762 | ART MUSIC & INSTRUCTIONAL MATERIALS BLOCK GRANT | 6/30/2026 | \$ 3,520,677.67 |
| 060 | 7311 | CLASSIFIED SCHOOL EMPLOYEE PROFESSIONAL DEVELOPMENT BLOCK GRANT | | \$ 660.07 |
| 060 | 7412 | A - G ACCESS/SUCCESS GRANT | 6/30/2026 | \$ 80,193.82 |
| 060 | 7413 | A - G LEARNING LOSS MITIGATION GRANT | 6/30/2026 | \$ 5,304.15 |
| 060 | 7435 | LEARNING RECOVERY EMERGENCY BLOCK GRANT | 6/30/2028 | \$ 5,979,412.00 |
| 060 | 7810/781000 | ETHNIC STUDIES LOCAL SUPPORT | | \$ 47,606.41 |
| 060 | 7810/781025 | LITERACY SCREENINGS | | \$ 23,346.00 |
| | | <i>Total General Fund</i> | | <i>\$ 12,713,962.54</i> |

KEY ASSUMPTIONS OF THE MULTI-YEAR PROJECTION

Revenues

- COLA will be finalized in May, with the release of May Revision.

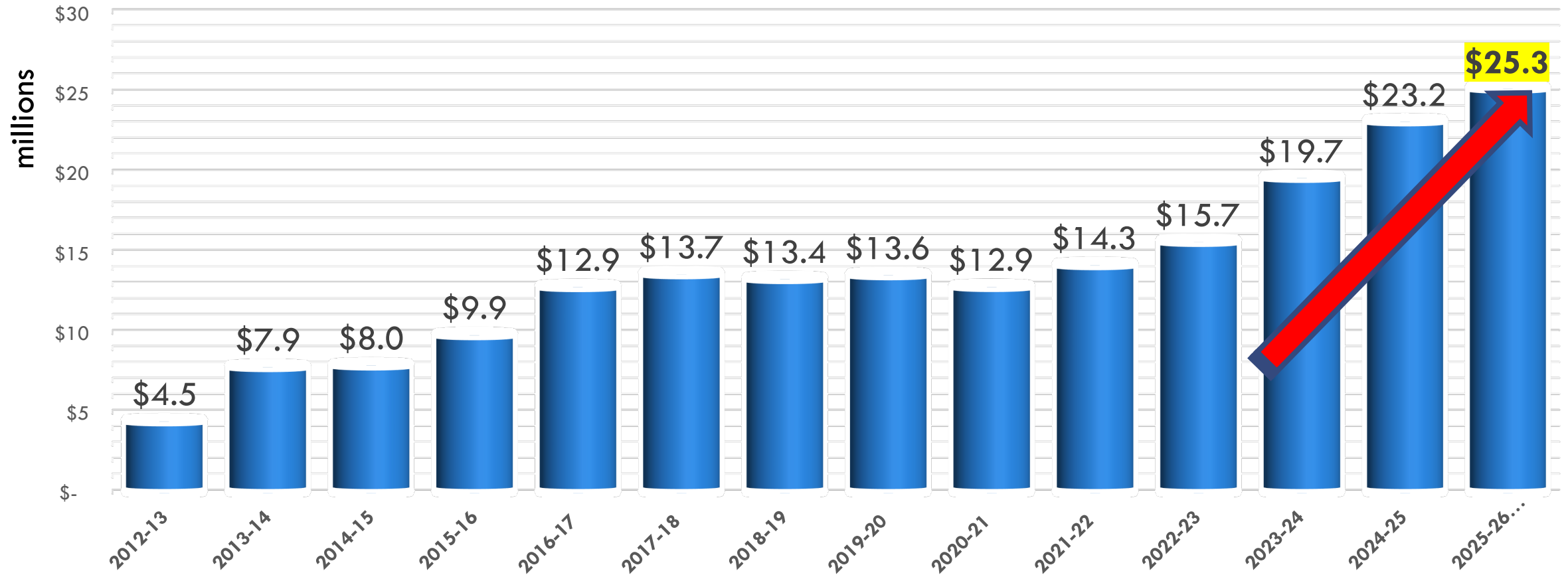
| Variable | 2025-26 | 2026-27 | 2027-28 |
|---|-----------------|----------------------------|----------------------------|
| COLA estimate from Legislative Analyst's Office | 2.3% (final) | 2.41% (estimate) | 3.06% (estimate) |
| Annual decline | -15 | -134 | +65 |
| Total Enrollment * | 10,166 | 10,032 | 10,097 |
| ADA % | 93.5% | 93.5% | 93.5% |
| UPP % | 60.99% | 60% | 60% |

Expenditures

- Carryover is budgeted as one-time expenditure in books & supplies as placeholders.
- Budget cut (placeholder) of **\$720k in 2026-27** for declining enrollment.
- Budget cut (placeholder) of **\$687K in 2027-28** MUST TAKE PLACE to address structural deficit.
- District is spending down the reserves (deficit spending).**

*Actual enrollment and projection point is CBEDS day (first Weds. in October of any year)

GENERAL FUND CONTRIBUTION TO SPECIAL EDUCATION (*UNDERFUNDING!*)



MULTI-YEAR PROJECTION (MYP)

| | 2025-26 SECOND INTERIM | | | 2026-27 PROJECTION | | | 2027-28 PROJECTION | | |
|--|---|---------------------|----------------------|---|---------------------|----------------------|---|--------------------|----------------------|
| | At 2.3% COLA, 93.5% ADA, CBEDS 10,166, UPP at 60.99% (included 100% of proj. COLA) | | | 2.41% COLA, 93.5% ADA, proj. decline -135, UPP at 60% | | | 3.06% COLA, 93.5% ADA, +59 enroll, UPP at 60%. (Includes 100% of proj. COLA) | | |
| REVENUES | Unrestricted | Restricted | Total | Unrestricted | Restricted | Total | Unrestricted | Restricted | Total |
| LCFF | \$132,341,919 | \$ 7,405,181 | \$ 139,747,100 | \$135,361,697 | \$ 7,635,482 | \$ 142,997,179 | \$137,731,146 | \$ 7,872,946 | \$ 145,604,092 |
| Federal Revenues | - | 7,972,100 | 7,972,100 | - | 7,972,100 | 7,972,100 | - | 7,972,100 | 7,972,100 |
| Other State Revenues | 3,465,499 | 24,948,741 | 28,414,240 | 3,465,499 | 21,399,741 | 24,865,240 | 3,465,499 | 21,399,741 | 24,865,240 |
| Other Local Revenues | 3,513,497 | 6,619,092 | 10,132,589 | 3,638,497 | 6,619,092 | 10,257,589 | 3,683,628 | 6,619,092 | 10,302,720 |
| TOTAL, REVENUES | 139,320,915 | 46,945,114 | 186,266,029 | 142,465,693 | 43,626,415 | 186,092,108 | 144,880,273 | 43,863,879 | 188,744,152 |
| EXPENDITURES | | | | | | | | | |
| Placeholder cut 2026-27 | | | - | (720,000) | | (720,000) | (720,000) | | (720,000) |
| Placeholder cut 2027-28 | | | | | | - | (687,000) | | (687,000) |
| Certificated | 54,831,505 | 14,807,904 | 69,639,409 | 55,653,978 | 15,030,022 | 70,684,000 | 56,791,474 | 13,557,674 | 70,349,149 |
| Classified | 18,629,604 | 10,816,115 | 29,445,720 | 18,909,049 | 10,978,357 | 29,887,406 | 19,192,684 | 10,877,424 | 30,070,109 |
| Employee Benefits | 29,452,097 | 17,716,840 | 47,168,937 | 29,825,210 | 15,931,994 | 45,757,204 | 30,393,663 | 14,458,508 | 44,852,172 |
| Books & Supplies | 4,441,168 | 18,790,930 | 23,232,098 | 2,259,853 | 17,969,200 | 20,229,053 | 3,570,196 | 18,355,538 | 21,925,734 |
| Services & Operating Expenses | 15,599,189 | 21,806,776 | 37,405,965 | 12,791,552 | 10,602,045 | 23,393,597 | 12,791,552 | 14,690,485 | 27,482,037 |
| Capital Outlay | 362,729 | 1,342,159 | 1,704,888 | 362,729 | 852,470 | 1,215,199 | 366,356 | 852,470 | 1,218,826 |
| Other Outgo | 544,598 | 7,634,004 | 8,178,602 | 557,124 | 4,154,959 | 4,712,083 | 569,938 | 4,154,959 | 4,724,897 |
| Transfers of Indirect Costs | (2,604,628) | 1,642,918 | (961,710) | (2,355,850) | 1,667,562 | (688,288) | (2,382,664) | 1,692,575 | (690,088) |
| TOTAL, EXPENDITURES | 121,256,263 | 94,557,647 | 215,813,909 | 117,283,645 | 77,186,609 | 194,470,254 | 119,886,200 | 78,639,634 | 198,525,834 |
| Transfers Out | - | - | - | - | - | - | - | - | - |
| Contributions | (30,670,133) | 30,670,133 | - | (31,130,185) | 31,130,185 | - | (31,386,284) | 31,386,284 | - |
| TOTAL, OTHER SOURCES/USES | (30,670,133) | 30,670,133 | - | (31,130,185) | 31,130,185 | - | (31,386,284) | 31,386,284 | - |
| NET INCREASE (DECREASE) | (12,605,481) | (16,942,399) | (29,547,880) | (5,948,137) | (2,430,008) | (8,378,146) | (6,392,211) | (3,389,471) | (9,781,682) |
| FUND BALANCE | | | | | | | | | |
| Beginning Fund Balance | 44,898,342 | 22,761,878 | 67,660,220 | 32,292,862 | 5,819,479 | 38,112,340 | 26,344,724 | 3,389,471 | 29,734,195 |
| Proj. Ending Fund Balance | \$ 32,292,862 | \$ 5,819,479 | \$ 38,112,340 | \$ 26,344,724 | \$ 3,389,471 | \$ 29,734,195 | \$ 19,952,513 | \$ (0) | \$ 19,952,512 |
| Nonspendable Revolving Cash | 100,000 | | 100,000 | 100,000 | | 100,000 | 100,000 | | 100,000 |
| Minimum RESERVE | \$ 21,581,391 | | | \$ 19,447,026 | | | \$ 19,852,584 | | |
| UNRESTRICTED RESERVE (after excluding Committed Balances) | 14.92% | | | 13.50% | | | 10.00% | | |
| Unassigned/Unappropriated | 10,611,471 | | | 6,797,699 | | | (71) | | |

SUMMARY ALL OTHER FUNDS

2025-26 Second Interim Report

| Fund | Description | Beginning Fund Balance | Revenue | Expenditures | Ending Fund Balance |
|------|-----------------------------------|------------------------|---------------|---------------|---------------------|
| 11 | Adult Education | \$ 205 | \$ 364,015 | \$ 364,220 | \$ - |
| 12 | Child Development | \$ 1,179,914 | \$ 2,172,852 | \$ 2,990,828 | \$ 361,938 |
| 13 | Cafeteria Fund | \$ 8,564,799 | \$ 12,287,491 | \$ 16,445,286 | \$ 4,407,004 |
| 21 | Building fund | \$ 14,338,730 | \$ 342,226 | \$ 6,454,634 | \$ 8,226,322 |
| 25 | Capital Facilities/Developer Fees | \$ 1,990,531 | \$ 737,631 | \$ 2,174,183 | \$ 553,979 |
| 35 | County School Facilities | \$ 757,785 | \$ (900) | \$ 266,798 | \$ 490,087 |
| 67 | Self Insurance | \$ 3,727,234 | \$ 1,552,894 | \$ 1,155,900 | \$ 4,124,228 |
| 73 | Foundation Trust | \$ 935,922 | \$ 34,593 | \$ 26,000 | \$ 944,515 |

Note: SACS forms are included as attachments to the board item.

NEXT STEPS

- **May 2026**
 - Governor's release of the *May Revision* (no later than May 15)
 - Public Hearing on LCAP and Budget on *May 28, 2026*
- **GUSD Board Meeting on June 18, 2026**
 - GUSD LCAP for approval
 - GUSD 2026-27 Budget for Adoption

- **Revise MYP as needed (impact of collective bargaining, other assumptions , etc.)**

REQUESTED BOARD ACTION

- Approve the Second Interim Financial Report with a **Positive Certification**.