GATEWAY UNIFIED SCHOOL DISTRICT

2025-26 Second Interim Budget Update

March 11, 2026

GUSD

LET'S CONNECT!

District Net Worth

	Est. June 30, 2026 Balance
Fund 01	$ 23,639,594
Fund 08 – Student Body	87,621
Fund 13 – Cafeteria	961,447
Fund 20 – Post Emp Benefits	456,363
Fund 21 – Capital Building (Bond Funds)	16,000,881
Fund 25 – Developer Fees	3,984,483
Fund 40 – Capital Outlay Projects	1,043,488
Fund 51/52/53 – Bond Financing (Not included in Net Worth)	4,271,496

REVENUES – Fund 01

	1st Interim	2nd Interim	Difference	Notes
LCFF	$ 31,406,780	$ 31,589,366	182,586	Adjusted ADA based on P1 reporting and improved attendance rates. Also an increase in the SCOE ADA
Federal	3,466,458	3,471,636	5,178	Title IIA Adjustment
State	7,426,948	7,754,658	327,710	Award adjustment for SWP and LCFF Equity Multiplier for 2025-26
Local	3,690,565	4,391,649	701,084	Adjusted interest income, donations, site fundraising, RDA and MediCal revenues based on actuals received to date.
Interfund Transfers In	121,722	121,722		
Total Revenue	46,112,473	47,329,031		
Estimated Funded ADA	2,005.04	2,016.05	11.01	ADA funded on prior year average Adjusted ADA based on P1 reporting and improved attendance rates.

EXPENSES

	1st Interim	2nd Interim	Difference	Notes
Certificated Salaries	$ 15,807,104	$ 15,679,689	(127,415)	Adjusted budgets for vacancies. Increased cost for subs at the certificated level.
Classified Salaries	9,238,581	9,116,389	(122,194)	
Benefits	11,183,847	11,101,415	(82,432)	
Books/Supplies	4,190,314	4,058,834	(131,480)	Adjustment to discretionary funds budgets by site
Services/Operations	8,967,615	8,940,924	(26,691)	Adjustment to discretionary funds budgets by site
Capital Outlay	1,558,852	1,814,003	255,151	CTE Vehicle purchase and minor adjustments to capital expenditures at the River Ridge Elementary campus
Other Outgo	483,599	511,242	27,643	Increase in the SCOE ADA passthrough
Direct/Indirect Support Costs	(80,592)	(79,887)	705	
Interfund Transfers Out	105,000	105,000		
Total Expenses	$ 51,454,320	$ 51,247,607	(206,713)	

ENDING BALANCE – Fund 01

	1st Interim	2nd Interim	Difference
Beginning Balance	$ 27,558,170	$ 27,558,170	
Increase/(Deficit)	(5,341,847)	(3,918,576)	
Ending Balance	$ 22,216,323	$ 23,639,594	$ 1,423,271

RESERVES

	1st Interim Projection		2nd Interim Projection	
Ending Balance	$ 22,216,323		$ 23,639,594	
Revolving Cash/Prepaids	12,100		12,100	
Restricted Reserves	9,825,709	19.10%	10,839,129	21.15%
Assigned Reserves	5,049,265	9.81%	5,803,386	11,32%
Economic Uncertainty	7,3296,249	14.244%	6,984,979	13.63%
		43.15%		46.10%

Reserves - Detail

ASSIGNED/BOARD DESIGNATED	
Unrestricted Lottery	$ 1,222,390
Deferred Maintenance	-0-
Add'l Concentration Funds	386,972
Technology Reserve (Chromebook purchase)	244,000
Mandated Costs	1,895,964
Forest Reserves	1,037,241
SPED Reserves (placement, etc)	-0-
MAA	953,388
Board Designated Economic Uncertainty	5,447,551
3% State Economic Uncertainty	1,537,428
TOTAL ASSIGNED/DESIGNATED	$ 11,250,937

COMMITTED / LEGALLY RESTRICTED	
ELO-P	$ 968,780
Student Support & PD Discretionary BG	616,711
Scholarships	310,096
LCFF Equity Multiplier	2,175,095
SPED PreK Intervention	85,504
Donations – Sites & Carr Fire	154,434
Learning Recovery – District Restricted	2,226,167
Mental Health (Educationally Related)	119,905
Golden State Pathway Grant	277,549
Lit Coach Reading Specialist Grant (GEO)	285,260
RDA Funds	994,110
MediCal BOP	1,920,804
COVID Supplies	33,995
Restricted Lottery	493,366
Classified PD BG	2,040
Prop 28 – Arts & Music	167,144
CA State Standards Alignment	8,169
TOTAL COMMITTED	$ 10,839,129

MULTI-YEAR PROJECTIONS

2026-27 & 2027-28

Multi-Year Assumptions

- COLA:
  - 2026-27 = 2.41%
  - 2027-28 = 3.06%
- ADA:
  - 2026-27 = 1967.46 (40.04) - Funded ADA 2014.21 (1.84)
  - 2027-28 = 2008.71 41.25 - Funded ADA 2008.71 (5.50)
    - 2026-27 Seniors = 155; estimated 190 for TK/K
- Revenues:
  - Adjusted in both years to reflect new LCFF calculations.
    - 2026-27 – Increased by $858,161
    - 2027-28 – Increased by $924,537
  - Reduction in estimates for Federal funding due to removing CSI funding and mild reductions to Title I, Title IIA, Title IV and IDEA.
  - State revenues to decrease in 2026-27 due to not having revenues from one-time funding through the Student Support & PD Discretionary Block Grant and the Learning Recover Block Grant. Reduced revenues for LCFF Equity Multiplier – will budget as sites qualify.
  - Local revenues projected to decline in 2026-27 due to one-time E*rate Category 2 funding and an estimated reduction to MediCal reimbursements.

Multi-Year Assumptions

- **Staffing:**
  - **2026-27 – 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 0.09% to 26.90%. Reduced staffing expenses due to District reconfiguration.**
  - **2027-28 – 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 0.90% to 27.80%.**
- **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 has PLANNED deficit spending as we are working through one-time dollars that expire in 2028 & 2029. There is still a substantial amount of funds received as block grants that we will reflect as deficit spending as we finish through 2028-29.**

MYP …

	2025-26 1st IT	2025-26 2nd IT	2026-27	2027-28
Revenues	46,112,473	47,329,031	43,856,971	44,544,617
Expenses	51,454,320	51,247,607	45,473,515	45,711,785
Increase/(Deficit)	(5,341,847)	(3,918,576)	(1,616,544)	(1,167,168)
Ending Balance	$ 22,216,323	$ 23,639,594	$ 22,023,050	$ 20,855,882
Economic Uncertainty Reserve	7,329,249 14.24%	6,984,979 13.63%	5,308,239 11.67%	3,827,119 8.37%
Total Unrestricted Reserve	24.05%	24.95%	25.51%	23.24%
TOTAL RESERVES	43.15%	46.10%	48.40%	45.60%

Board Action Requested:

It is recommended that the Board approve the 2025-26 Second 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