

GATEWAY UNIFIED SCHOOL  
DISTRICT



SECOND INTERIM BUDGET REPORT

MARCH 16, 2022

# Overview of Presentation

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- Revenues
- Expenses
- Ending Balance
- Economic Uncertainty
- Multi-Year Projections: 2022-23 & 2023-24
- Future Indicators

# REVENUES

	1 <sup>st</sup> Interim	2 <sup>nd</sup> Interim	Difference	Notes
LCFF	24,8454,585	24,977,111	122,526	Increase to ADA of 7.35 for annual reporting
Federal	8,947,168	8,960,554	13,386	Increase in Title II allocation
State	3,140,661	3,861,718	721,057	Educator Effectiveness BG, Lottery & Strong Workforce
Local	5,237,229	5,673,717	436,488	SPED allocation from SELPA, COVID testing grant, MAA
Interfund Transfers In	232,133	215,350	(16,783)	Adjustment to transfer from Fund 20
Total Revenue	\$ 42,411,776	\$ 43,688,450	\$ 1,276,674	
Estimated Funded ADA	2,105.39	2,112.74	7.35	



# EXPENSES

	1 <sup>st</sup> Interim	2 <sup>nd</sup> Interim	Difference	Notes
Certificated Salaries	12,544,995	12,546,157	1,162	
Classified Salaries	7,011,048	6,795,139	(215,909)	Unfilled Vacancies
Benefits	8,624,039	8,413,680	(210,359)	
Books/Supplies	2,951,207	2,921,652	(29,555)	
Services/Operating	8,668,442	9,016,281	327,839	Increase in ESSER fund spending AC in 7 buses
Capital Outlay	1,474,381	1,315,359	(159,022)	
Other Outgo	249,958	249,184	(774)	
Direct Support / Indirect Costs	(82,000)	(35,889)	46,111	Indirect costs to Cafeteria
Interfund Transfers Out	373,031	245,000	(128,031)	Eliminated transfer to Cafeteria Fund
	\$ 41,835,101	\$ 41,466,563	\$ (368,538)	

# ENDING BALANCES

	1 <sup>st</sup> Interim	2 <sup>nd</sup> Interim	Difference
Beginning Balance	15,761,792	15,761,792	
Increase/(Deficit)	576,675	2,221,887	
Ending Balance	\$ 16,338,467	\$ 17,983,679	\$ 1,645,212
Funded ADA	2,105.39	2,112.74	7.35

# Reserve for Economic Uncertainty

	1 <sup>st</sup> Interim	2 <sup>nd</sup> Interim	Difference
Ending Balance	\$ 16,338,467	\$ 17,983,679	\$ 1,645,212
RESERVE FOR ECONOMIC UNCERTAINTY	7,530,310	7,535,838	5,528
	18%	18.17%	





# MULTI-YEAR PROJECTIONS

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2022-23 THROUGH 2023-24

# MULTI-YEAR ASSUMPTIONS

- COLA: 2022-23 = 5.33%    2023-24 = 3.61%
- Unduplicated Count: 2022-23 = 72.56%    2023-24 = 73.06%
- ADA: 2022-23 = 2,035.99 (76.75)    2023-24 = 2,027.44 (8.55)
- Revenues: Adjusted in both years to reflect new LCFF calculations and adjusted for the final allocations of ESSER funds.
- Staffing: Staffing remained constant with changes made for step & column and increases to STRS (2.18%) and PERS (3.19% and 1%) employer rates. In 2023-24 some CARES & ESSER funded extra duty opportunities are reduced (\$500,000).
- Expenses: Overall expenses were increased by 4% to reflect inflation and the one-time expenses from CARES & ESSER funds were removed.



	2021-22 2 <sup>nd</sup> Interim	2022-23	2023-24
REVENUES	\$ 43,688,450	\$ 40,343,804	\$ 35,765,965
EXPENSES	41,466,563	40,055,301	36,130,768
Increase/(Deficit)	2,221,887	288,503	(364,803)
ENDING BALANCE	\$ 17,983,679	\$ 18,272,182	\$ 17,907,379
Economic Uncertainty Reserve	\$ 7,535,838	\$ 7,178,104	\$ 6,471,688
	18.17%	17.9%	17.91%

# Indicators to watch for.....

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- Continual rise in inflation
- ADA decline
- Staffing shortages
- After 2023-24, going back to pre-COVID budgets
- Political climate

## BOARD ACTION REQUESTED:

It is recommended that the Board approve the 2021-22 2<sup>nd</sup> Interim Budget Report with a POSITIVE certification. The District is capable of meeting our financial obligations for the current year and the two subsequent years.

