

GATEWAY UNIFIED SCHOOL DISTRICT



2022-23 PROJECTED BUDGET REPORT

JUNE 22, 2022

Overview of Presentation

- ▶ Revenues
- ▶ Expenses
- ▶ Ending Balance
- ▶ Economic Uncertainty
- ▶ Reserves
- ▶ Multi-Year Projections: 2023-24 & 2024-25
- ▶ Future Indicators



REVENUES

	3 RD Interim	PROJECTED	Difference	Notes
LCFF	24,977,111	25,823,196	846,085	6.56% COLA with declining ADA
Federal	6,933,032	8,167,311	1,234,279	Increase ESSER funds - received as expensed
State	4,552,681	4,378,458	(174,223)	One-time Educator Effectiveness BG removed, State ESSER funds - received as expensed
Local	5,627,912	1,619,793	(4,008,119)	Dissolution of GREAT Partnership Reduction in SPED funding Bus Grant budgeted as State Revenue
Interfund Transfers In	215,350	215,350	-0-	
Total Revenue	\$ 42,306,086	\$ 40,204,108	\$ 1,276,674	
Estimated Funded ADA	2,112.74	2,039.99	(72.75)	2022-23 Estimated ADA is using the 3YR Prior Average - not yet approved by the State of California Budget Bill

EXPENSES

	3 RD Interim	PROJECTED	Difference	Notes
Certificated Salaries	12,220,761	12,545,869	325,108	Step & Column, Administrative crossover & Additional Art teacher
Classified Salaries	6,268,580	6,444,319	175,739	3 additional Campus Monitors for 3 TK-5/8 sites
Benefits	8,465,805	8,969,001	503,196	STRS/PERS increases
Books/Supplies	2,840,715	2,022,840	(817,875)	Reduction of one-time ESSER expenditures from prior year
Services/Operating	7,171,384	6,856,322	(315,062)	Reduction of one-time ESSER expenditures from prior year
Capital Outlay	1,328,418	2,529,560	1,201,142	Budgeted for purchase of buses from grant, Budgeted for new BARD units at sites
Other Outgo	249,184	206,821	(42,363)	Reduction in SCOE ADA
Direct Support / Indirect Costs	(39,798)	(86,000)	(46,202)	Indirect costs from Cafeteria
Interfund Transfers Out	245,000	245,000		
	\$ 38,505,049	\$ 39,733,732	\$ 1,228,683	

ENDING BALANCES

	3 RD Interim	PROJECTED
Beginning Balance	15,761,792	19,317,829
Increase/ (Deficit)	3,556,037	470,376
Ending Balance	\$ 19,317,829	\$ 19,788,205
Funded ADA	2,112.74	2,039.99

Reserve for Economic Uncertainty

	PROJECTED	
Ending Balance	\$ 19,788,205	
Cash/Stores	52,735	
Restricted Reserves	3,994,195	10.05%
Assigned Reserves	8,589,203	21.6%
Reserve for Economic Uncertainty	7,152,072	18.0%

ASSIGNED/COMMITTED RESERVES

COMMITTED / LEGALLY RESTRICTED

ELOP	\$ 969,470
Educator Effectiveness BG	508,454
Scholarships	241,137
KIT Funds	120,222
Expanded Learning	260,649
A-G Access/Success	144,467
RDA Funds	1,144,457
MediCal BOP	234,371
COVID Supplies	33,995
Restricted Lottery	154,242
Classified PD BG	15,599
Site Specific Fundraising	167,132
TOTAL COMMITTED	\$ 3,994,195

ASSIGNED

Unrestricted Lottery	\$ 801,778
Deferred Maintenance	78,185
Additional 15% Concentration	1,049,027
Supplemental/Concentration	251,758
Mandated Costs	2,129,320
Forest Reserves	864,851
Technology	105,842
MAA	1,169,208
Sports/Culinary/Student Needs	6,332
Declining Enrollment	2,132,902
TOTAL COMMITTED	\$ 8,589,203

MULTI-YEAR PROJECTIONS



MULTI-YEAR ASSUMPTIONS

- COLA: 2023-24 = 5.38% 2024-25 = 4.02%
- Unduplicated Count: 2023-24 = 72.99% 2024-25 = 72.99%
- ADA: 2023-24 = 1,993.23 (46.76) 2024-25 = 1,916.5 (47.24)
- Revenues: Adjusted in both years to reflect new LCFF calculations and adjusted for the final allocations of ESSER funds.
- Staffing: Staffing reduced by 1.0 FTE in 2023-24 for unfilled retiree and 5.75 FTE in 2024-25 for ESSER funded positions (\$474,000), step & column budgeted in both years and decreased PERS (0.17% and 0.77%) employer rates. In 2024-25 some CARES & ESSER funded extra duty opportunities are reduced (\$207,000).
- Expenses: Overall expenses were increased by 5% for Supplies and 4% for Services, to reflect inflation. One-time expenses from ESSER & KIT funds were removed (\$1,555,297).

	2022-23	2023-24	2024-25
REVENUES	\$ 40,204,108	\$ 37,625,805	\$ 33,881,732
EXPENSES	39,733,732	36,969,552	35,752,391
Increase/ (Deficit)	470,376	656,253	(1,870,659)
ENDING BALANCE	\$ 19,788,205	\$ 20,444,458	\$ 18,573,799
Economic Uncertainty Reserve	\$ 7,152,072	\$ 6,617,770	\$ 6,398,681
	18.0%	17.9%	17.9%

Indicators to watch for.....

- 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 2022-23 Projected Budget Report with a POSITIVE certification. The District is capable of meeting our financial obligations for the current year and the two subsequent years.

