



2021-22 SECOND INTERIM REPORT

PRESENTED TO THE BOARD OF TRUSTEES ON

MARCH 8, 2022

# Key Budget Information for 2021-22 Second Interim

- Recommended Certification Status: **Positive**
- Enrollment as of 2/24/22: Schoolwise is reported enrollment to be **744** as of the close of the February attendance month. Census day enrollment (October 6<sup>th</sup>) was 761
- Projected Average Daily Attendance (ADA) as of 2/24/22 was **696.72** (733.22 at P-1). The calculated ADA to enrollment percentage for the District is **93.65%**
- \$1,272,840 of Basic Aid Supplemental (BAS) funding has been received to date. This amount represents approximately 75% of the current estimated BAS.
- Decrease in revenue due to declining enrollment and lower than projected ADA
- Increased expenditures tied to Salaries and Benefit costs
- Deficit spending is projected to be **-\$908,797**
- Ending Fund Balance = \$7,492,169
- District Reserve assignments remains whole, Unassigned Balance = \$1,703,124

# AVERAGE DAILY ATTENDANCE & ENROLLMENT

Cohort Projected Enrollment & ADA w/ added UTK								
As of Close of February 2022 Attendance			22/23			23/24		
Grade Level	Enrollment	ADA	Grade Level	Enrollment	ADA	Grade Level	Enrollment	ADA
TK	18	12.49	TK	36	24.97	TK	36	24.97
K	76	71.48	K	78	74.54	K	78	74.54
1	76	71.48	1	80	75.51	1	79	75.45
2	71	68.68	2	76	74.65	2	80	74.65
3	83	78.06	3	71	68.68	3	76	68.68
4	71	66.78	4	83	78.60	4	71	78.60
5	67	63.08	5	71	68.58	5	77	68.58
6	79	75.45	6	94	91.81	6	94	91.81
7	99	92.29	7	94	91.81	7	94	91.81
8	104	96.95	8	101	96.71	8	101	96.71
<b>GUSD Total</b>	<b>744</b>	<b>696.72</b>	<b>GUSD Total</b>	<b>784</b>	<b>745.86</b>	<b>GUSD Total</b>	<b>786</b>	<b>745.80</b>

**Enrollment and ADA at the close of the February attendance month:**

Enrollment = **744**. 17 student decline since CBEDS day (October 6<sup>th</sup>).

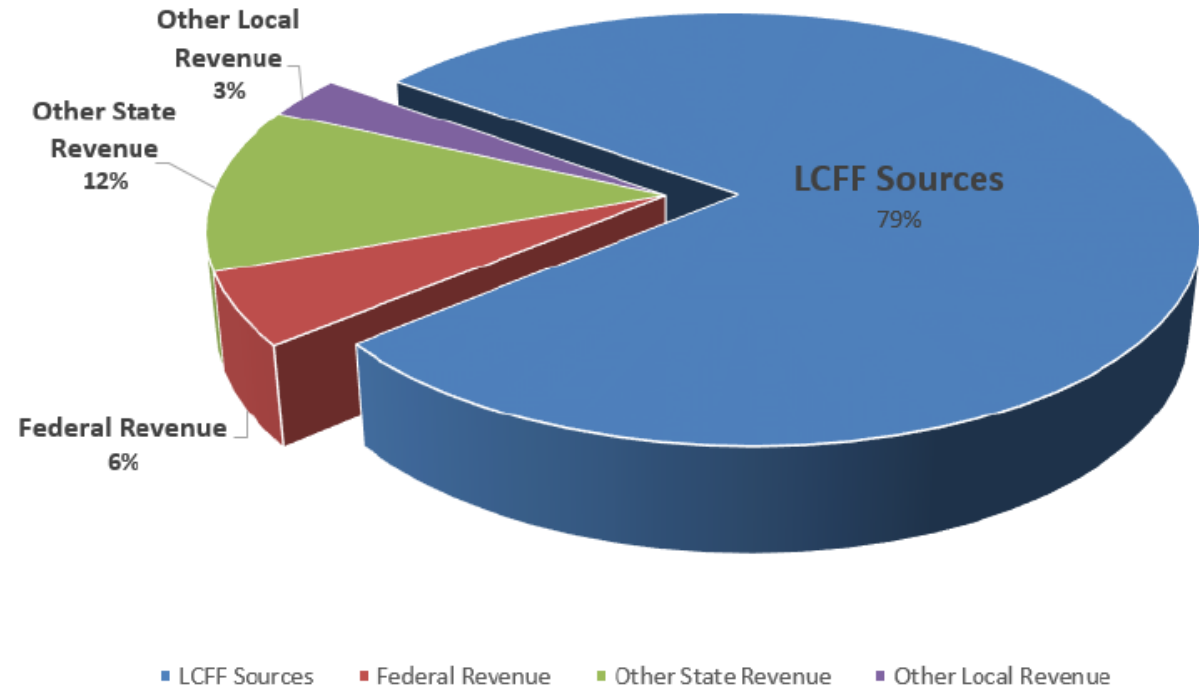
ADA is estimated at **696.72**.

The estimate Enrollment/ADA percentage used in the budget is **93.65%**.

Unduplicated Pupil Percentage used for Title funding and our supplemental calculation is estimated at **35.92% for Charter students and 29.08% for District students.**

# General Fund Revenue Sources

Revenue by Object	Dollars per ADA	Total Amount
LCFF Sources	\$ 11,545	\$ 8,075,088
Federal Revenue	\$ 790	\$ 552,709
Other State Revenue	\$ 1,805	\$ 1,262,506
Other Local Revenue	\$ 469	\$ 327,799
<b>Total Revenue</b>	<b>\$ 14,609</b>	<b>\$ 10,218,102</b>
Transfers In & Other Sources		\$ 1,200,058
<b>Total Resources</b>	<b>\$ 16,324</b>	<b>\$ 11,418,160</b>



- Overall Revenue is down \$85k
- LCFF Sources include state revenue generated from ADA, Education Protection Account, Property Taxes, and Basic Aid Supplemental
- Federal Revenues include ESSER I, II & III funding, GEER I & II funding, Title I, II & IV Funding, and Funding for Special Education
- Other State Revenues include Lottery Monies, Mandated Block Grant, In-Person Instruction Grant, Extended Learning Opportunities Grant, Extended Learning Opportunities Program, Educator Effectiveness Block Grant, Special Education Early Intervention Preschool Grant, and the Special Education Learning Recovery Grant
- Other Local Revenues includes GPA donations, field trip donations, SELPA special education transfers, and interest

# COLA

The projected Cost of Living Adjustments estimates is provided from School Services of California. Current year LCFF revenue is based on a **5.07** COLA.

Current COLA represents:

- Unfunded 2020-21 prior year COLA of 2.31 %
- Estimated 2021-22 current year COLA of 1.7 %
- Addition of 1.0 % from the Governor

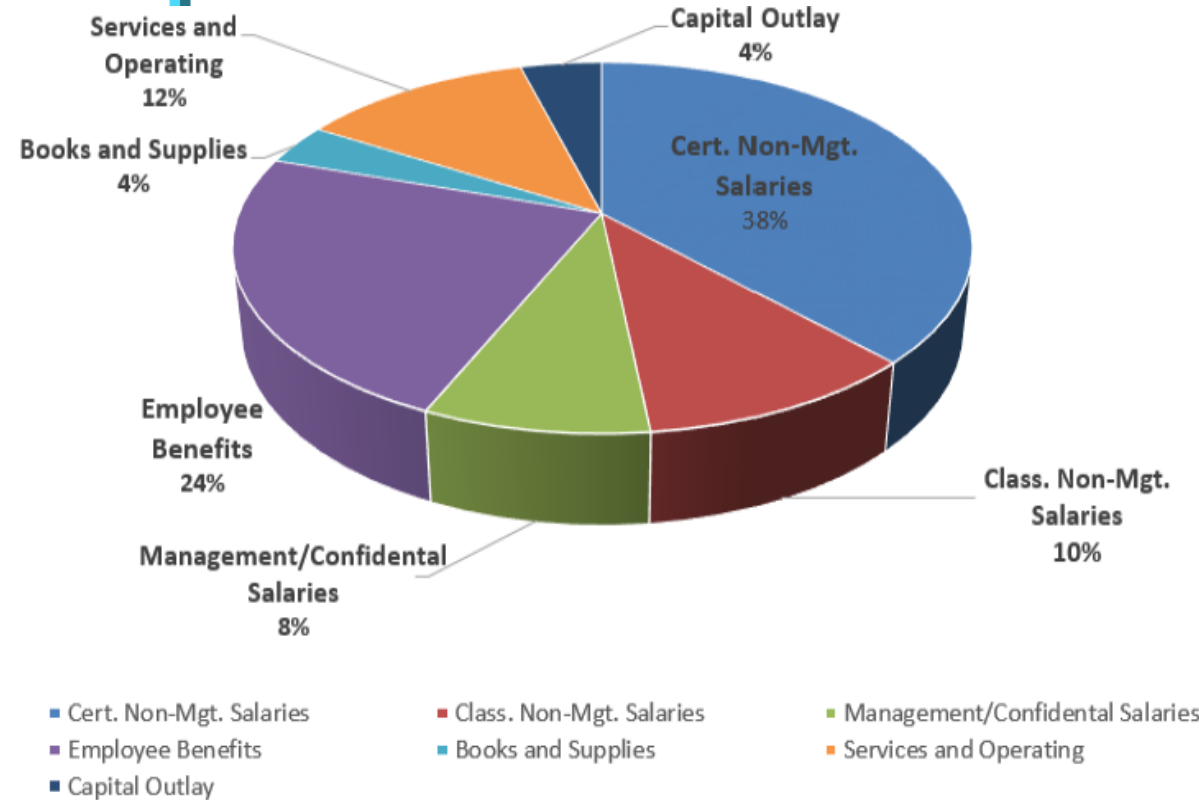
Future years represent estimates and are subject to change. While an increased COLA is welcomed, it does not outpace the loss in revenue from declining enrollment.

	2021-22	2022-23	2023-24
<u>Revenue</u>	2nd Interim	Year 2 - Projection	Year 3 - Projection
COLAs applied	5.07%	5.33%	3.61%

# General Fund Expenditures

## Expenditures by Object

	Dollars per ADA	Total Amount
Cert. Non-Mgt. Salaries	\$ 5,953	\$ 4,163,618
Class. Non-Mgt. Salaries	\$ 1,635	\$ 1,143,741
Management/Confidential Salaries	\$ 1,315	\$ 919,548
Employee Benefits	\$ 3,686	\$ 2,578,231
Books and Supplies	\$ 563	\$ 393,926
Services and Operating	\$ 1,908	\$ 1,334,887
Capital Outlay	\$ 669	\$ 468,282
Other Outgo	\$ -	\$ -
<b>Total Expenditures</b>	<b>\$ 15,730</b>	<b>11,002,233</b>
Transfers Out and Other	\$ 23,241	1,324,724
<b>Total Uses/Expenses</b>	<b>\$ 38,970</b>	<b>\$ 12,326,957</b>



- Overall Expenditures are up \$428k since 1st Interim
- Salary & Benefits categories have been updated to reflect budgeted expenditures. Increases to the certificated salaries reflect the unexpected need for multiple long-term substitute positions at the Gravenstein school site, above average worker's compensation claims, additional FTE needed to support COVID safety protocols and the inclusion of 80 additional hours of paid sick leave for all workers<sup>6</sup> under SPSL. The combined increases in Salaries and Benefits expenses from 1st Interim are \$258k.

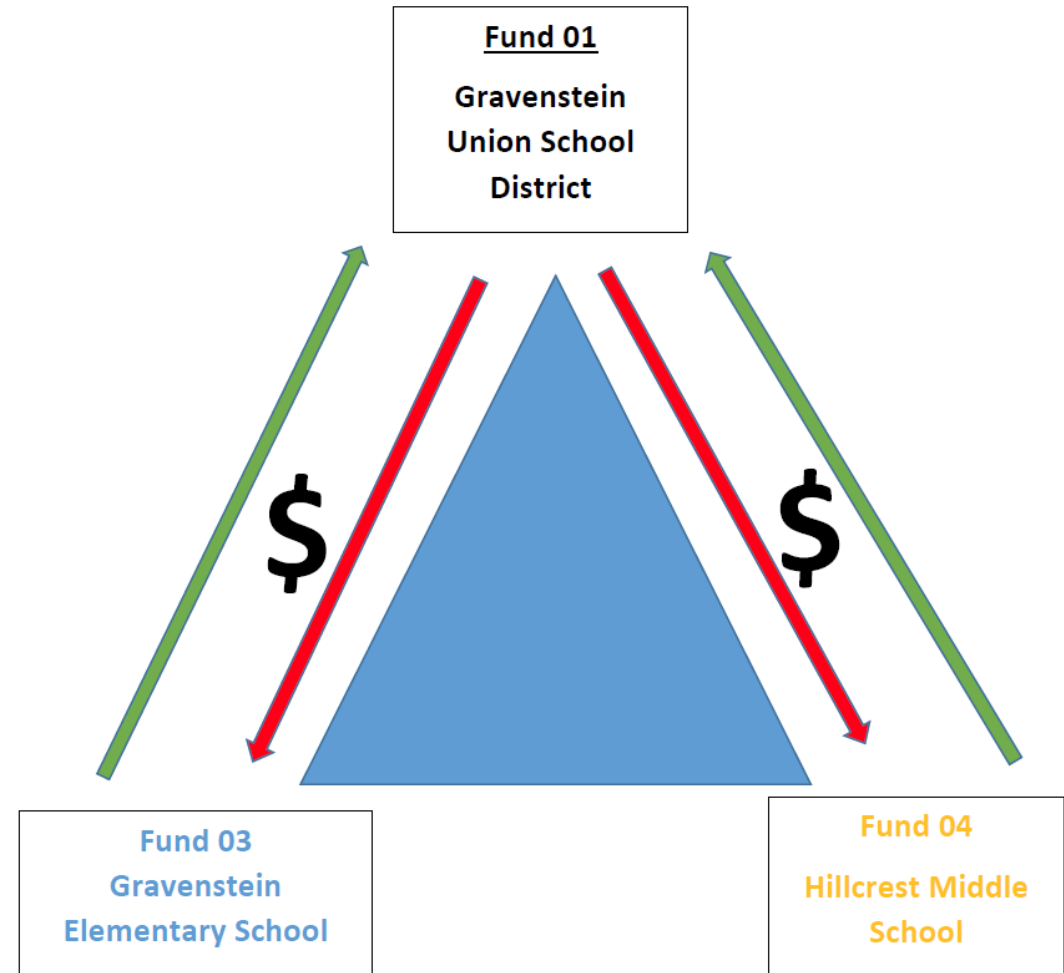
# TRANSFERS IN/OUT

Transfers In: **\$1,200,058**

Transfers out: \$1,3324,724

**Up \$148,883 from 1<sup>st</sup> Interim**

- Cafeteria Fund - \$74,965
- Beyond the Bell Program - \$49,702
- Gravenstein Charter - **\$764,878**
- Hillcrest Charter - **-\$435,180**



# DEFICIT SPENDING

Deficit spending is projected in all three years:

2021/22	<b>\$(908,797)</b>
2022/23	<b>\$(1,045,505)</b>
2023/24	<b>\$(1,143,456)</b>

Deficit spending is caused by:

1. Ongoing contributions to support ongoing deficit spending at Gravenstein Elementary School Charter (\$764,878), Hillcrest Middle School Charter (\$435,180)

2. COLA not keeping up with the increases in STRS & PERS:

<u>STRS rates%</u>	<u>Yearly Increase</u>	<u>PERS Rates %</u>	<u>Yearly Increase</u>
2021-22 is 16.92 %	<b>\$ 60,852</b>	2021-22 is 22.91 %	<b>\$42,065</b>
2022-23 projected at 19.10 %	<b>\$124,820</b>	2022-23 projected at 26.10 %	<b>\$59,724</b>
2023-24 projected at 19.10 %	<b>\$ 6,873</b>	2023-24 projected at 27.10 %	<b>\$17,009</b>

3. Additional Certificated staff time supporting the Enrich! program for all District students



# RESERVE ASSIGNMENTS FOR FISCAL STABILITY

<b><u>Components of Ending Balance:</u></b>	<b>2021/22</b>	<b>2022/23</b>	<b>2023/24</b>
Revolving Cash (nonspendable)	5,000	5,000	5,000
Restricted: Prepaid Expenditures	2,270	-	-
Restricted	1,078,697	610,547	128,132
Textbook Adoptions Multi Year	350,000	350,000	350,000
Facilities Master Plan Approved Projects	250,000	250,000	250,000
STRS & PERS Increases 2 Years	110,000	110,000	110,000
Reserve for Enrichments 5 Years	1,500,000	1,500,000	1,500,000
Lesser of 2 M or 30% Rainy Day Reserve	2,000,000	2,000,000	2,000,000
Reserve for Econ.Uncert. (unassigned)	493,078	488,457	491,541
→ <i>Unassigned/Unappropriated Amount</i> <small>Required to be Positive</small>	<b>1,703,124</b>	<b>1,132,660</b>	<b>468,536</b>
→ <b>Net Ending Balance</b>	<b>7,492,169</b>	<b>6,446,664</b>	<b>5,303,208</b>

**Positive Certification is Recommended**

# OTHER FORMS (SACS) AND ADDITIONAL NOTES

Form CI: District Certification of Interim Report

Form 01 CSI: Standards and Criteria

Form ICR: Indirect Cost Rate

- 5.71%

Form SIAI: Summary of Interfund Activities for All funds

Form ESMOE: Every Student Succeeds Act Maintenance of Effort Expenditures

- The District will expend as much as last year on all students

## **Other Notes**

The District is currently in negotiations with both the Certificated and Classified bargaining units. The MYP presented at 2nd Interim does not include any assumed settlements for either unit. The MYP does not include construction costs not currently under contract.



# Questions?