

GLENDALE UNIFIED SCHOOL DISTRICT

June 21, 2016

ACTION REPORT NO. 3

TO: Board of Education
FROM: Winfred B. Roberson, Jr., Superintendent
SUBMITTED BY: Robert McEntire, Chief Business and Financial Officer
PREPARED BY: Karineh Savarani, Director Financial Services
Craig Larimer, Financial Analyst
SUBJECT: **Adoption of District Budget for 2016-17**

The Superintendent recommends that the Board of Education adopt the District's 2016-17 Budget as presented.

The 2016-17 Budget provides an initial expenditure plan for District's instructional and operational programs. The Budget will be revised, as needed, to address changes in priorities. It will also be adjusted to reflect the final State Budget and any additional funding or expenditure changes imposed by the State or Federal governments. Until then, the 2016-17 Adopted Budget is based on the Governor's May Revised Budget Proposal.

2016-17 Primary Budget Components

- The net impact of COLA, gap funding and ADA changes, results in projected net revenue increases of \$21.7 million in 2015-16 and \$9.9 million in 2016-17.
- One Time Mandated Cost is projected at \$214 per ADA or \$5.3 million.
- The District's net increase of LCFF from 2015-16 to 2016-17 is \$405 per Average Daily Attendance (ADA).
- The 2015-16 CalSTRS employer rate is 10.73%, 2016-17 is 12.58%, 2017-18 is 14.43%, and 2018-19 is 16.28%.
- The District's estimated unduplicated pupil percentage for supplemental and concentration funding has fallen from a high of 55.88% in 2015-16 to 54.82% in 2016-17.
- Lottery revenue is estimated to be \$140 per ADA for unrestricted purposes and \$41 for restricted purposes.
- The 2016-17 LCFF GAP funding is budgeted at 49.08%.
- The budget includes one-time solvency transfers of \$2.9 million through 2016-17 from the Debt Service Fund 56.0.
- The 4.64% California School Employees Association (CSEA) and Glendale Schools Management Association (GSMA) 2015-16 "Me Too" salary settlement cost is \$2.5 million for 2016-17 and ongoing.

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- The teacher substitute rate increase is estimated at \$0.65 million.
- Special Education Educational Assistant Intensive and Behavioral Intervention Assistants cost is \$1.6 million and ongoing.
- Special Education Services budget adjustment is \$1.1 million and ongoing.

Adjustments to the 2016-17 budgets that will be utilizing new revenues are listed in the Attachment B.

There will be some additional changes as the District moves through the implementation of LCAP and the budget.

2016-17 General Fund Revenue Components

The district receives funding for its general operations from various sources. A breakdown of the major funding sources is illustrated below:

Description	Unrestricted	Restricted	Combined
Local Control Funding Formula	\$ 213,828,409	\$ -	\$ 213,828,409
Federal Revenues	200,000	14,524,549	14,724,549
Other State Revenues	9,850,728	17,323,350	27,174,078
Other Local Revenues	3,672,695	7,488,409	11,161,104
TOTAL	\$ 227,551,832	\$ 39,336,308	\$ 266,888,140

2016-17 Operating Expenditure Components

The General Fund is used for the majority of the functions within the District. As illustrated below, the largest part of the expenditures are salaries and benefits that comprise approximately 89.24% of the District's unrestricted budget, and approximately 85.44% of the total General Fund budget.

Description	Unrestricted	Restricted	Combined
Certificated Salaries	\$ 102,385,717	\$ 23,689,513	\$ 126,075,230
Classified Salaries	21,267,382	19,451,926	40,719,308
Benefits	48,468,797	18,512,062	66,980,859
Books and Supplies	4,438,535	3,473,178	7,911,713
Other Operating Expenditures	16,747,573	14,505,959	31,253,532
Capital Outlay	81,592	81,750	163,342
Other Outgo	(519,246)	1,038,816	519,570
TOTAL	\$ 192,870,350	\$ 80,753,204	\$ 273,623,554

Unrestricted General Fund 2016-17 Adopted Budget Projected Fund Balance

Projected Beginning Balance 07/01/16		\$33,182,609
2016-17 Revenues	\$227,551,832	
2016-17 Other Financing Sources/Uses	(\$41,809,318)	
2016-17 Expenditures	<u>(\$192,870,350)</u>	
Surplus/(Deficit)		<u>(\$7,127,836)</u>
2016-17 Adopted Ending Fund Balance		\$26,054,773
Components of Fund Balance:		
Revolving Cash Reserve	\$70,000	
Stores	\$70,806	
Economic Uncertainties 3% Reserve	\$8,264,920	
Prepaid Expenditures	\$888,655	
Reserve for Future LACOE System Charges	\$900,000	
Reserve for MAA/Regular Carry over	\$1,385,622	
Reserve for LCFF Net Income Growth less STRS/PERS	<u>\$5,086,850</u>	
Subtotal of Components		<u>\$16,666,853</u>
*Projected General Reserve 06/30/17		\$9,387,920
**Projected General Reserve as a Percentage of Expenditures		4.87%

***The Projected General Reserve includes the One-Time Mandated Cost Revenue of \$5.3 million.**

****The Projected General Reserve as a Percentage of Expenditures without One-Time Mandated Cost Revenue of \$5.3 million will be 2.12%.**

In addition to the Budget Adoption Financial Report, districts are required to furnish a narrative for each fund, a cash flow analysis, criteria and standards review, and a report of Average Daily Attendance (ADA). The financial information and certification form included with this report indicates that **the District will be able to meet its financial obligations for 2016-17, 2017-18, and 2018-19.** However, it is anticipated that as one time funding sources are depleted, **the structural deficit will be approximately \$23 million in 2017-18** if no action is taken by the District and there are no further reductions in State funding or increases in on-going expenditures.

The 2015-16 Adjusted Unrestricted General Fund Ending Balance is projected to be approximately \$19.9 million. This reflects a net adjustment to the ending balance, resulting from the net change between income and expense.

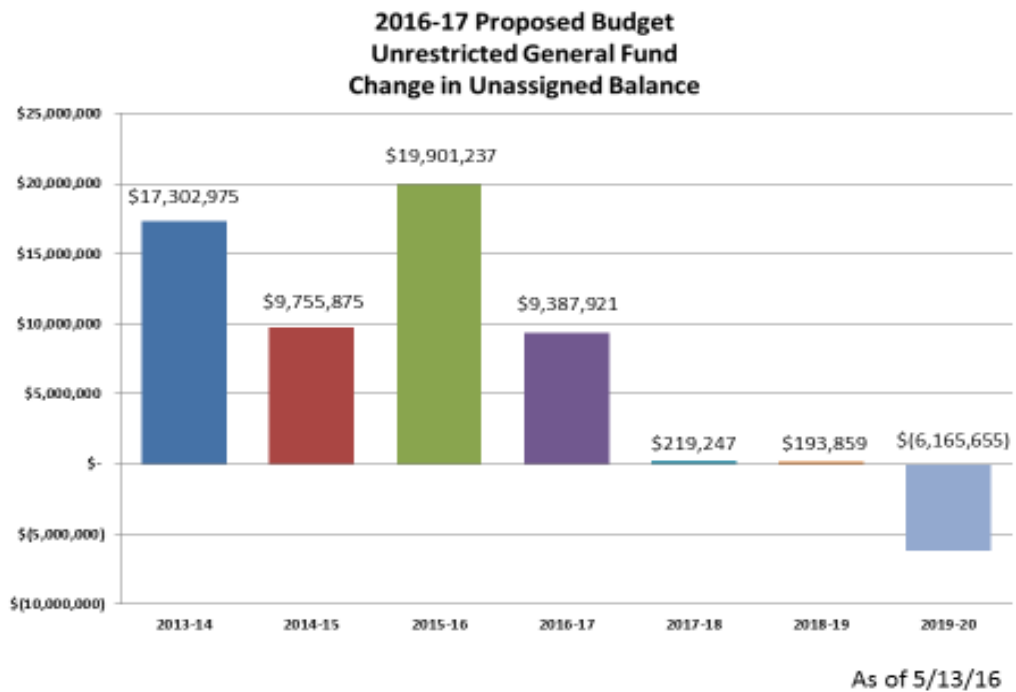
It is important to note that the 2015-16 Ending Fund Balance will shift again at year end closing. The Ending Fund Balance will increase to reflect carry over funds from categorical programs and school site budgets. Supplemental carry over funds will be provided to the school sites to be used. However, General Fund site carry over will be swept as a solvency saving.

Multi-Year Budget Assumptions Components

- The District's multi-year enrollment is projected to decline 153 students in 2016-17 and continue to decline 19 students in 2017-18. This is mainly at the secondary level.
- The District's projected net increase of LCFF from 2016-17 to 2017-18 is \$268 per ADA, and from 2017-18 to 2018-19 is \$28 per ADA.
- The unduplicated pupil count is 54.82% for 2016-17, and 54.45% for 2017-18.
- The Adopted Budget reflects categorical COLA's at 1.02% for 2015-16, 0.47% for 2016-17 and 2.13% for 2017-18.
- The workers compensation rate is budgeted at 2.743% for 2016-17, 2017-18, and 2018-19.
- Health and Welfare 2016-17 (only) inflation reduced from 9% to 6% for \$0.60 million.
- Solvency Savings - These are required budget reductions in services and costs to make sure that the District will be solvent in the next three years. The projected amount to stay solvent is \$8.2 million in 2017-18, and another \$8.2 million in 2018-19.

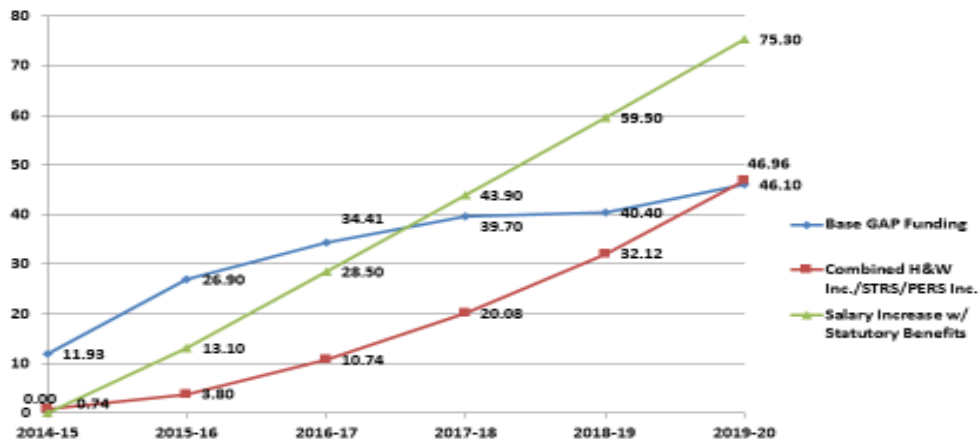
Without increased funding from the State or Federal governments, the District will be required to make “Drastic Reductions” to remain solvent.

- Projecting the budget forward, the Adjusted Ending Balance in the Unrestricted General Fund is estimated to be a negative \$6.2 million for 2019-20. This is taking into account a budget reduction of \$8.2 million which needs to take place starting in 2017-18 and, an additional \$8.2 million 2018-19. Even if the future funds materialize, the District needs to have a plan to reduce expenses to end the deficit spending pattern.



- A visual comparison of the cumulative LCFF Base Gap Funding, CalSTRS/CalPERS increases, Health and Welfare increases, as well as, Salary and Benefit increases for the next five years is captured below. As illustrated, starting in 2016-17 the cumulative Base Gap Funding is less than the 2014-15 Salary and Benefits increases' impact to the District's financials. When considering all other District expenditures, such as instructional material costs, technology replacement, etc., the actual local gap between revenues and expenditures is far worse.

BASE GAP FUNDING vs. HEALTH/WELFARE & STRS/PERS AND SALARY INCREASES
(Cumulative-In Million Dollars)



As of 5/13/16

How We Got Here?

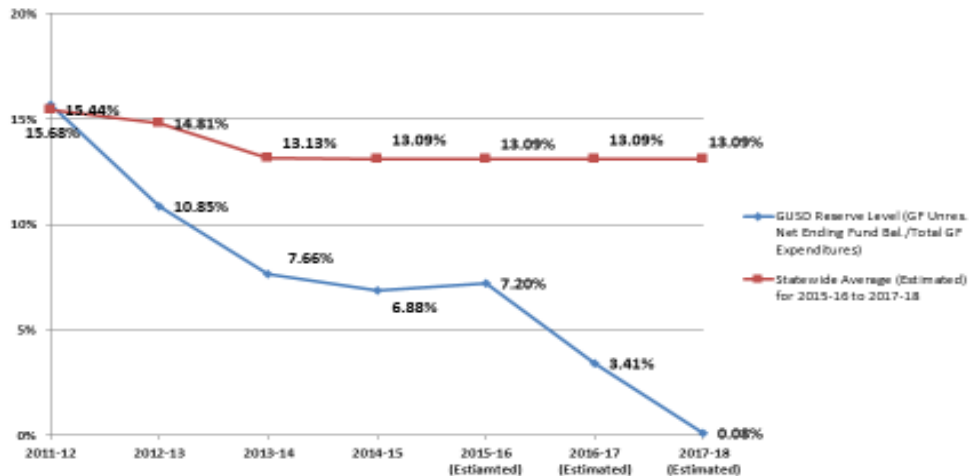
The Governor's approach to accelerating the GAP funding (restoral funding) as State revenues exceeded expectations was appreciated by all in education. However, by failing to time the increases in employee retirement costs (STRS/PERS) with the increases in revenue, created a false perception that districts could restore educational programs and give pay raises. This perception is illustrated above in the area between the red and blue lines. However, as we project these revenues-expenses into the future, we see that retirement costs alone completely consume the restored funding. Increases in compensation and programs all increase the District's structural deficit. The following table illustrates the actual costs increases associated with the STRS/PERS employee retirement plans mandated by the state. These spending deficits add to the already growing structural deficit, which must be rectified. Planning has already started to address this shortfall.

Year	STRS EST. Sal.	Change in Rate %	STRS Cum Impact To Balance	PERS Est. Sal.	Change in Rate %	PERS Cum Impact to Balance	Total Cum Impact
14-15	\$ 102,873,595	0.630%	\$ 648,104	\$ 28,283,432	0.329%	\$ 93,052	\$ 741,156
15-16	116,995,863	2.480%	3,549,601	33,566,367	0.405%	\$ 228,996	\$ 3,778,597
16-17	119,807,843	4.330%	8,737,281	33,601,412	2.446%	\$ 1,050,887	\$ 9,788,168
17-18	113,470,552	6.180%	15,749,761	33,601,412	4.058%	\$ 2,414,432	\$ 18,164,193
18-19	114,865,701	8.030%	24,973,477	33,601,412	5.658%	\$ 4,315,600	\$ 29,289,077
19-20	116,330,577	9.880%	36,466,938	33,601,412	7.158%	\$ 6,720,789	\$ 43,187,727

Note: The "Change in Rate" is increases from 2014-15 rate

- The result of the reduction in District reserves, is that the reserve level has dropped since 2014-15 compared to the statewide average. Below is a comparison of the GUSD's reserve level compared to the statewide average for the last four years. As illustrated, in 2014-15, GUSD's reserve was 6.2% below the statewide average. This shows that the District has been spending down its reserve more than the statewide average.

**Comparison of GUSD Reserve Level To The Statewide Average
2011-12 to 2017-18**



Note: GUSD Reserve Level Includes 14-15 Assigned Sal. Inc.

As of 5/13/16

OTHER FUNDS NARRATIVE

Special Education Pass-Through Fund (10.0)

The California Department of Education has required a special revenue fund for use by the Administrative Unit (AU) of a Special Education Local Area Plan (SELPA) to account for Special Education inter-district pass-through revenues outside the General Fund.

Child Development Fund (12.0)

General Child Care and Development Programs, and State Preschool Programs. This fund operates on an independent basis and does not encroach on the Unrestricted General Fund. The Governor's 2016-17 Preliminary Budget proposes a \$1.6 billion Early Education Block Grant by consolidating various preschool programs and funding sources such as State Preschool, Transitional Kindergarten (TK), and Preschool Quality Rating and Improvement Grant. Similar to the LCFF, the Early Education Block Grant intends to mirror the LCFF's core intent, ensuring the funds would be provided equitably to schools with higher percentages of disadvantaged students. This program eliminates TK beginning July 1, 2017. The Governor's May Revised Budget builds on the conceptual framework from the 2106-17 Preliminary Proposed Budget. The Child Development Fund began the fiscal year with a balance of \$181,566.

Nutrition Service Fund (13.0)

The source of revenue for this fund is based solely on meal sales. The revenue is received on a per meal basis from the State and Federal programs as well as student payments. The State funding for this program was reduced in 2007-08, 2008-09, 2009-10, and remains relatively flat for 2012-13 to 2016-17. This budget includes indirect cost charges of approximately \$290,000 that will be transferred to the Unrestricted General Fund for services performed by several administrative staff. This fund operates on an independent basis and does not directly encroach on the Unrestricted General Fund.

Deferred Maintenance Fund (14.0)

The Deferred Maintenance Program is considered a part of the 2008-09 through 2013-14 flexibility options provided in the State Budget Act. The State revenue for this fund was reduced from \$1,291,090 to \$967,000 in 2008-09 ongoing. In 2013-14 this funding was eliminated and is now part of the LCFF.

All projects previously listed as Deferred Maintenance will be charged to the Capital Projects Fund 40.1, and the Measure S Bond Fund 21.1.

Building Fund (21.1)

This is the Measure S Bond Fund and is utilized to track expenditures related to the bond projects. The first issuance of the bond series in the amount of \$54 million occurred in August 2011. Another \$70 million was issued in August 2014, \$6.5 million of the proceeds from the

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sale of the bonds was utilized in 2014-15 to pay off the remaining balance of Certificates of Participation (COPs). Funds for capital projects are also transferred to the fund from the Developer Fee Fund 25.0, Capital Projects Fund 40.1, and the State Building Fund 35.0. In 2015-16, \$35.6 million funds were transferred to this fund from Fund 35.0, \$7.7 million for Fremont, \$6.8 million for Jefferson, \$4.7 million for La Crescenta, \$2.2 million for Lincoln, \$3.7 million for Muir, \$5.9 million for Glendale, and \$4.6 million for Hoover ORG Projects. Another series of bonds for \$70 million will be issued in 2016-17.

Clean Renewable Energy Bonds (CREBs) Fund (21.2)

Clean Renewable Energy Bonds (CREBs) are federal bonds used to finance photovoltaic and water heating installations at rates lower than most tax-exempt municipal bonds. The federal government subsidized the financing by lowering the borrowed interest rate (Net Effective Rate) in the form of federal tax credits.

CREBs Fund (21.2) was established to account for \$5.38 million in the second series of CREBs issued in October 2012. Due to the nature of tax-exempt bonds, the proceeds are held with a banking entity serving as the "Custodian" and the funds are disbursed to the "District" upon a reimbursement request. Deutsche Bank National Trust Company serves as the "Custodian" for Glendale Unified School District.

These bonds will mature in 13 years and are expected to be repaid using redevelopment agency proceeds. The annual payment is estimated at \$320,000 with a Net Effective Rate of 1.24%. This payment will be made from the Capital Projects Fund (40.1). Glendale High School, Roosevelt Middle School, Marshall Elementary, Fremont Elementary, Balboa Elementary, and Franklin Elementary solar projects were financed with this second series of CREBs.

Developer Fee Fund (25.0)

Developer Fee income is designated for the rental or purchase of modular classrooms, the purchase of property, and for other classroom facility needs, as approved by the Board of Education. In December 2009, the District utilized this Fund to purchase three properties that are contiguous to the District Administration building. In 2012-13 \$4.3 million was transferred to the Measure S Fund for the Keppel Project, and in 2013-14 \$4.0 million was transferred to the Measure S Fund for general support. In 2015-16, \$1 million was transferred to Measure S Project Fund for Muir ORG project and \$0.65 million to Capital Project and Improvement Fund for Cloud Preschool capital projects.

State Building Fund (35.0)

This fund was established to account for revenue and expenditure associated with the renovations, modernization, and new construction projects partially funded from the State bond funds. In 2009-10 and 2010-11, the State Allocation Board approved the disbursement of funds for Glendale High School project and Crescenta Valley High School appeal, Columbus Elementary School Project, Hoover High School Project, and Roosevelt Middle School Project. These funds were transferred to Fund 40.1. In 2012-13 \$4.3 million was received and transferred to the Measure S Fund for the Keppel ORG Project. In 2015-16,

\$35.6 million was transferred to Measure S Projects Fund for Fremont, Jefferson, La Crescenta, Lincoln, Muir Elementary Schools, and Glendale and Hoover High Schools.

Capital Projects Fund (40.1)

In 2009-10 and 2010-11, funds were received from the State Allocation Board and deposited into Fund 35 and then transferred to Fund 40.1. In 2009-10, 2010-11, and 2011-12 this fund was utilized to assist with the construction payments for the Roosevelt Middle School, Glendale High School, and other projects. This is the fund that was utilized for Measure S construction projects in 2011-12, as a bridge until G.O. bond funds became available. In 2012-13 \$4.4 million was transferred to the Measure S Fund for the Hoover Project, and in 2013-14 \$11.5 million was transferred to the Measure S Fund for general support. The \$8.8 million fund balance increase in 2014-15 was due to receipt of tax increment funding for San Fernando Corridor and City of Glendale's Central Redevelopment projects, and PDC/Palmer Property Swap net proceeds. In 2015-16, \$0.66 million was transferred from Developer Fee Fund for Cloud Preschool capital projects and \$1 million was transferred from Unrestricted General Fund. Proposition 39 funds are being spent on energy efficiency projects in the District.

Nutrition Service Capital Outlay Fund (40.2)

In prior years, the Nutrition Service Program has transferred monies into this fund for capital projects. Since 2013-14, the revenue source for this fund is interest income.

Debt Service Fund (56.0)

The only revenue source in this fund is interest income. This fund was to be utilized to repay the Certificates of Participation (COPs), the annual payment was approximately \$1.3 million. Given Measure S paid off this loan, this reserve can now be utilized by the District for major "one-time" expenditures, i.e. new textbook adoptions. In 2015-16 and 2016-17 school years, a solvency transfer totaling \$2.85 million will be utilized to continue funding the Common Core State Standards with curriculum development.

Self Insured Health Insurance (67.0)

The only revenues are the premiums for the dental and vision insurance plans that are offered to employees and interest earnings. The payroll system allocates the expense for the coverage to the various programs in all the funds. Then an offsetting transfer is made to the revenue account in self-insured fund. In 2012-13, the District transferred from the ASCIP JPA to ASCIG JPA for dental insurance. Due to GUSD leaving the ASCIP JPA the District received an equity distribution from ASCIP of \$1.18 million. The cost of the claims and transfers to the third party administrator are the only expense in this fund.

Workers Compensation Fund (67.1)

This fund was established solely for the purpose of accounting for expenditures related to the workers compensation program. The ASCIP rate for "dollar one" coverage in 2015-16 is 3.003% of salaries.

The expenditures will include the payment to ASCIP for 2015-16 coverage, expenditures related to claims that occurred prior to 2005-06, consultant expenses for claims management, and other related expenses.

Early Retirement Benefits Fund (67.2)

This fund was established to set aside funds for the GASB 45 liability. The revenue in 2007-08 through 2009-10 is from a 2% rate applied to salaries in all programs. In the past, approximately half of this rate was to fund the future liability while the balance was to pay the annual premium that is currently charged for the retiree health insurance. For 2010-11, the rate increased to 2.21% of all salaries and only paid the annual premium, including the increased cost resulting from the early retirement incentive program. In 2012-13, the rate was 1.88%. In 2013-14, the rate climbed to 2.17%. In 2014-15 the calculated rate was 1.684%. However, to effectively transfer reserves from Fund 67.2 to the Unrestricted General Fund the rate was lowered, resulting in a transfer of \$1.6 million in 2013-14 and \$2.4 million in 2014-15 of the fund reserves. The rates were decreased to 0.909% and 0.094%, respectively. In 2015-16 the rate is 1.344% with no decrease.

McLennan Trust and Other Scholarships (73.0)

This fund's primary source funding is interest earnings and an occasional donation for a scholarship. Typically, the scholarship donations are managed through the ASB accounts at the high schools. However, if there is a donation that is not directly linked to a school site, it may be deposited into this fund. The only expenditures out of this fund are for student scholarships.

2015-16 Estimated Actuals Revenue/2016-17 Adopted Budget Comparison

Funds	2015-16 Estimated Actuals	2016-17 Adopted Budget	Variance
Restricted and Unrestricted General Fund - 01.0	\$ 275,543,534.00	\$ 266,888,140.00	\$ (8,655,394.00)
Special Education Pass-Through Fund - 10.0	5,310,882.00	5,310,882.00	0.00
Child Development Fund - 12.0	4,108,157.00	3,728,980.00	(379,177.00)
Nutrition Services Fund - 13.0	9,041,588.00	9,029,800.00	(11,788.00)
Deferred Maintenance Fund - 14.0	37,600.00	37,000.00	(600.00)
Measure S Building Fund - 21.1	549,000.00	550,000.00	1,000.00
Clean Renewable Energy Bond Fund - 21.2	0.00	0.00	0.00
Developer Fee Fund - 25.0 *	3,723,404.00	1,070,000.00	(2,653,404.00)
Capital Projects Funds - County Schools Facilities Fund - 35.0 **	35,657,928.00	30,000.00	(35,627,928.00)
Capital Projects Fund - 40.1	258,574.00	120,000.00	(138,574.00)
Capital Projects Nutrition Services Fund - 40.2	8,900.00	9,000.00	100.00
Bond Interest and Redemption Fund (County Administered) - 51.0	15,051,272.00	15,051,272.00	0.00
Debt Service Fund - 56.0	114,000.00	100,000.00	(14,000.00)
Health and Welfare Fund - 67.0	3,493,600.00	3,635,000.00	141,400.00
Workers Compensation Fund - 67.1	4,745,100.00	5,084,231.00	339,131.00
Early Retirement Benefits Fund - 67.2	2,306,416.00	2,816,348.00	509,932.00
Mc Lennan and Other Scholarships Trust Fund - 73.0	2,522.00	4,100.00	1,578.00
Total	\$ 359,952,477.00	\$ 313,464,753.00	\$ (46,487,724.00)

Notes:

* \$3.7M is the actual income received in 2015-16.

** \$35.6M is primarily the ORG funds received in 2015-16 for Fremont, Jefferson, La Crescenta, Lincoln, and Muir elementary schools and Glendale & Hoover high schools

Conclusion

The projection supports that the District **will be able to meet its financial obligations for the current and two subsequent years only with a significant expenditure reduction plan of at least \$16.4 million.** The Administration is concerned that if the “solvency savings” and future funding do not materialize, the District will not be able to maintain a minimum reserve of three percent in 2017-18, and additional cuts will be required.

Reference Materials

The following supplemental materials are provided for reference:

- Multi-Year Budget Assumptions – Attachment A
- Tentative Board of Education Priorities for 2015-16 – Attachment B
- Tentative Principles for Guiding Budgetary Decisions – Attachment C
- Staffing Ratios – Attachment D
- CBEDS/CALPADS Based Enrollment History – Attachment E
- Proposed Budget Adjustment Impact on Unrestricted General Fund Balance – Attachment F
- Long-Range Financial Projection (Version 3) – Attachment G
- Reserve exceeding minimum Reserve for Economic Uncertainties – Attachment H
- Fund Fiscal Projections – Attachment I (Provided under separate cover)
- District Budget and Certification – Attachment J (Provided under separate cover)

To Support 2015-16 Board Priority No. 2 - “Use Board adopted budgetary principles to maintain District fiscal integrity and stability of instruction and programs.”

**2016-17 Proposed Budget
Multi-Year Budget Assumptions**

Attachment A

Category	2014-15 Actual	2015-16	2016-17	2017-18	2018-19	2019-20
Local Control Funding Formula						
- Projected Net District LCFF Revenue Increase	\$17,270,632					
Adopted Budget (June 2015)		\$22,927,212	\$7,621,177	\$0	\$0	\$0
State Budget Adoption		\$22,231,824	\$7,397,695	\$0	\$0	\$0
First Interim		\$22,237,334	\$7,397,629	\$6,708,751	\$4,279,962	\$4,731,330
Second Interim		\$22,355,826	\$9,284,571	\$6,371,366	\$1,163,866	\$7,400,104
Proposed Budget (June 2016)		\$21,715,425	\$9,884,609	\$5,703,318	\$971,749	\$7,728,824
- Revenue Net Percentage Increase	10.76%	11.94%	5.01%	3.16%	0.31%	2.93%
- Projected Increase In Funding Per ADA	\$702	\$863	\$405	\$268	\$28	\$258
- Total LCFF Funding Per ADA	\$7,228	\$8,091	\$8,496	\$8,764	\$8,792	\$9,050
- Factors Utilized In Revenue Calculations						
Unduplicated Percentage	55.88%					
Adopted Budget (June 2015)		55.94%	55.99%	55.99%	55.99%	55.99%
State Budget Adoption		55.94%	55.99%	56.17%	56.20%	56.10%
First Interim		55.94%	55.99%	56.17%	56.20%	56.10%
Second Interim		55.89%	55.93%	56.14%	56.22%	56.09%
Proposed Budget (June 2016)		55.88%	54.82%	54.45%	54.54%	54.41%
Cost of Living Adjustment (COLA)	0.85%					
Adopted Budget (June 2015)		1.02%	1.60%	0.00%	0.00%	0.00%
State Budget Adoption		1.02%	1.60%	0.00%	0.00%	0.00%
First Interim		1.02%	1.60%	2.48%	2.87%	2.50%
Second Interim		1.02%	0.47%	2.13%	2.65%	2.72%
Proposed Budget (June 2016)		1.02%	0.47%	2.13%	2.65%	2.72%
Gap Funding	30.16%					
Adopted Budget (June 2015)		53.08%	37.40%	0.00%	0.00%	0.00%
State Budget Adoption		51.52%	35.55%	0.00%	0.00%	0.00%
First Interim		51.52%	35.55%	35.11%	19.88%	18.40%
Second Interim		51.97%	49.08%	45.34%	6.15%	34.21%
Proposed Budget (June 2016)		50.50%	49.08%	45.34%	6.15%	34.21%
Revenue ADA (Funded)	25,213					
Adopted Budget (June 2015)		25,208	25,057	24,981	25,017	25,099
State Budget Adoption		25,212	25,057	24,981	25,017	25,099
First Interim		25,212	25,057	24,981	25,017	25,099
Second Interim		25,207	25,052	24,976	25,012	25,097
Proposed Budget (June 2016)		25,207	25,169	25,049	25,081	25,220
Enrollment	26,168					
Adopted Budget (June 2015)		25,988	25,904	25,909	25,946	26,046
State Budget Adoption		25,988	25,904	25,909	25,946	26,046
First Interim		26,119	25,962	25,943	25,995	26,139
Second Interim		26,119	25,962	25,943	25,995	26,139
Proposed Budget (June 2016)		26,115	25,962	25,943	25,995	26,139
Unduplicated Count - Enrollment	14,568					
Adopted Budget (June 2015)		14,568	14,568	14,568	14,568	14,568
State Budget Adoption		14,568	14,568	14,568	14,568	14,568
First Interim		14,568	14,568	14,568	14,568	14,568
Second Interim		14,599	14,599	14,599	14,599	14,599
Proposed Budget (June 2016)		14,161	14,161	14,161	14,161	14,161
EMPLOYEE BENEFITS						
- Proposed Budget STRS Rates	8.880%	10.730%	12.580%	14.430%	16.280%	18.130%
- PERS	11.771%	11.847%	13.888%	15.500%	17.100%	18.600%
- Workers Compensation	3.338%	3.003%	2.743%	2.743%	2.743%	2.743%
- Retiree Benefits	0.094%	1.344%	1.611%	1.611%	1.611%	1.611%
Utilizing Fund #67.1 Balance	See Below	---	---	---	---	---
- Health Insurance Increase (District-wide)	\$0	\$1,161,310	\$1,870,785	\$2,430,000	\$2,430,000	\$2,430,000
"SOLVENCY" TRANSFERS						
- Early Retirement Benefit Fund #67.2	\$2,400,000	\$0	\$0	\$0	\$0	\$0
- Debt Service Fund #56.0 (for CCSS Math Program)	\$0	\$1,370,025	\$1,481,351	\$0	\$0	\$0

**GLENDALE UNIFIED SCHOOL DISTRICT
Board of Education Board Priorities
2015-16
(Approved on June 16, 2015)**

1. Ensure learning environments that are safe and support student success through high quality, research based instructional practices, consistent with models of effective teaching, California teaching standards and the Common Core State Standards.
2. Use Board adopted budgetary principles to maintain District fiscal integrity and stability of instruction and programs.
3. Continue the Measure S sequence planning and plan for the future issuance of bonds.
4. Create a single plan, where the 2020 Strategic Plan is incorporated within the Local Control Accountability Plan (LCAP).

Principles for Guiding Future Budgetary Decisions

- Maintain competitive salaries and benefits that will enable the District to attract and retain an excellent teaching and support service staff.
- Maintain a balance between current and future-year income and expenditures so as to ensure the long-term financial integrity of the District.
- Recognize that the highest financial priority is directly related to improving student achievement.
- Instructional and support service programs shall be aligned with the Glendale Schools 2015 Strategic Plan and Board of Education identified priorities.
- Recognize that some programs and services may need to be reduced or eliminated. Regularly evaluate all programs and services for cost effectiveness.
- Align resource distribution with accountability for student achievement; the greater the degree of accountability the more direct control the school site should have over the distribution of funding.
- Work to reduce/eliminate the financial impact (encroachment) that various categorical and incentive programs have on the General Fund.
- Recognize that an adequate infrastructure is needed in order to provide a high level of programs and services.
- Ensure that the District is in compliance with state and federal mandates.

2016-17 BUDGET ALLOCATIONS AND STAFFING FORMULAS

ATTACHMENT D
6/8/2016

Description	Elementary Schools	Middle Schools	High Schools	Comment
Teacher Staffing Ratios (students to teachers)				
Grades TK - K	26.0 : 1 *	n/a	n/a	Revised
Grades 1 - 3	26.0 : 1 *	n/a	n/a	Revised
Grades 4 - 6	31.9 : 1	n/a	n/a	
Grades 7-8 = Ratio and 1 FTE cut per 1000 pupils	n/a	33.3 : 1	n/a	
Grades 9-12 = Ratio and 1 FTE cut per 1000 pupils	n/a	n/a	34.3 : 1	
* Ratios have been or may be reduced with categorical or other funding.				
Counselor Staffing Ratio (students to counselors)				
	n/a	500:1	500:1	
Elementary Music Teachers				
	5.2	n/a	n/a	
High School Librarians				
(sites can shift this FTE to a regular teaching position if they choose)	n/a	n/a	1 FTE per school	
Library Technicians (resource 00000.0, excludes supplemental program)				
	n/a	0.75 FTE per school	n/a	
School Site Administrative Support				
School Site Principals, Elementary, MS & HS	1 Per School	1 Per School	1 Per School	
Asst. Principals, Elementary	650 : 0.5, 800:1	n/a	n/a	Revised
Assistant Principals - MS	n/a	750 : 1	n/a	Revised
Associate & Assistant Principals -HS (can be augmented with transfer from teacher allocation)	n/a	n/a	700 : 1	Revised
School Site Clerical Support (students to clerical support)				
Administrative Secretary (1 per principal)	1	1	1	
Elementary Clerks (1 FTE Minimum)	600:1	n/a	n/a	
Secondary Clerks = Ratio and 1 FTE cut per school	n/a	300:1	300:1	
Plus ASB Support	n/a	1 FTE per school	1 FTE per school	
Plus Counseling Support	n/a	1 FTE per school	1 to 2 FTE per school	
Clerical Substitutes				
	HR Administered Central Account	\$795 per Unrest. Clerk FTE	\$795 per Unrest. Clerk FTE	
Custodial Staff (students to custodial support)				
Custodial Supervisor	n/a	n/a	1	
Lead Custodian	n/a	1	1	
Custodian II	1	1	n/a	
Custodian I	520:1	390:1	390:1	
	+0.5 FTE per campus	+0.5 FTE per campus	+1 for large campus	
		+1.5 for gym and locker rooms	+2.5 for gyms, locker rooms and swimming pool	
Custodial Overtime				
	\$ 1 per student	\$ 1 per student	\$ 1 per student	
Custodial Supplies				
	\$10 per student	\$10 per student	\$10 per student	
Pool Supplies (Central FASO Account)				
	n/a	n/a	\$27,000 per year	
Instructional Material Support				
	\$31.50 per student	\$47.00 per student	\$49.00 per student	
Summer School Supplies				
	n/a	\$3 per summer student	\$3 per summer student	
Secondary Security Allocations				
	n/a	\$24.00 per student	\$24.00 per student	
		\$2,000 for summer school	\$8,300 for summer school	
		\$300 for graduation	\$300 for graduation	
		\$6,615 Supplemental	\$13,230 Supplemental	
Nurses - In 2013-14 8.75 FTE. In 2014-15 increased by 1.5 FTE to 10.25 FTE District-wide.				
Elementary Noon Duty Aids - One Hour Per Day for Every 70 Students				
Elementary Intervention - \$100,000 proportionally split among ES sites based on ELA/Math FBB, BBASIC, BASIC counts				
Teacher Substitutes - Human Resources Administered Account (for personal necessity or illness).				
Psychologists - No Formula				

**Budget Adjustment Impact on Unrestricted General Fund Ending Balance
June 21, 2016 Budget Adoption**

Major Changes	2015-16	2016-17	2017-18	2018-19	2019-20
Adopted Budget 2015-16 Ending Balance	\$ 43,817,608	\$ 49,438,464	\$ 49,807,900	\$ 44,092,172	\$ 31,924,751
Adjustment For Actual 2014-15 Ending Balance	\$ 8,576,373	\$ 8,576,373	\$ 8,576,373	\$ 8,576,373	\$ 8,576,373
Revised 2015-16 Ending Balance Reflecting Actuals Adjustment	\$ 52,393,981	\$ 58,014,837	\$ 58,384,273	\$ 52,668,545	\$ 40,501,124
Initial August Adjustments					
Revised LCFF Funding Variables	\$ (633,779)	\$ (857,261)	\$ (857,261)	\$ (857,261)	\$ (857,261)
Adjust Workers Comp Rate From 3.340% to 3.003%	\$ 475,000	\$ -	\$ -	\$ -	\$ -
CCSS Program - Supply Allocation	\$ (300,000)	\$ (300,000)	\$ (300,000)	\$ (300,000)	\$ (300,000)
CCSS Math Program - Additional 1 FTE Allocation	\$ (100,000)	\$ (100,000)	\$ -	\$ -	\$ -
Solvency Transfer - Debt Service Fund 56	\$ 100,000	\$ 100,000	\$ -	\$ -	\$ -
One Time Mandated Cost Revenue Adjustment	\$ (1,750,360)	\$ -	\$ -	\$ -	\$ -
Chromebooks	\$ (630,000)	\$ -	\$ -	\$ -	\$ -
Additional CSR Teachers To Be Compliant With LCFF Rules - 18 FTE	\$ (1,800,000)	\$ -	\$ -	\$ -	\$ -
First Interim Adjustments					
2014-15 4.25% for CSEA (settled)	\$ (2,890,650)	\$ (1,538,325)	\$ (1,538,325)	\$ (1,538,325)	\$ (1,538,325)
2014-15 4.25% for GSMA (settled)	\$ (1,502,130)	\$ (751,065)	\$ (751,065)	\$ (751,065)	\$ (751,065)
2014-15 GTA Settlement (settled)	\$ (8,718,813)	\$ (10,375,169)	\$ (10,080,169)	\$ (10,080,169)	\$ (10,080,169)
Health & Welfare Utilization Adjustment 2015-16	\$ 1,268,690	\$ 1,268,690	\$ 1,268,690	\$ 1,268,690	\$ 1,268,690
Special Education Transportation Increase	\$ (385,000)	\$ (385,000)	\$ (385,000)	\$ (385,000)	\$ (385,000)
Clark Transportation Increase	\$ (57,000)	\$ (57,000)	\$ (57,000)	\$ (57,000)	\$ (57,000)
Assistant Operations Coordinators (2 FTE)	\$ (176,187)	\$ (176,187)	\$ (176,187)	\$ (176,187)	\$ (176,187)
Budgeted Prior Year Carry-Over	\$ (2,715,314)	\$ -	\$ -	\$ -	\$ -
City of Glendale Loan - Budget Assigned Reserve	\$ (266,000)	\$ -	\$ -	\$ -	\$ -
Revised LCFF Funding Variables	\$ -	\$ -	\$ 6,708,867	\$ 10,988,829	\$ 15,720,159
Revised Lottery Funding Variables	\$ 281,406	\$ 281,406	\$ 281,406	\$ 281,406	\$ 281,406
Second Interim Adjustments					
Revised LCFF Funding Variables	\$ 118,674	\$ 2,005,434	\$ 1,668,049	\$ (1,448,047)	\$ 1,220,727
One-Time 2016-17 Discretionary Funding \$214 per ADA	\$ -	\$ 5,339,728	\$ -	\$ -	\$ -
Future Year STRS/PERS Rate Increase Impact On 2014-15 Salary Settlement	\$ -	\$ (265,000)	\$ (491,000)	\$ (717,000)	\$ (943,000)
Impact on 3% Contribution To RRM Resulting From 2014-15 Salary Settlement	\$ -	\$ (462,813)	\$ (460,743)	\$ (467,523)	\$ (474,303)
4.64% CSEA 2015-16 "Me-Too" Salary Settlement Cost (settled)	\$ -	\$ (1,643,488)	\$ (1,643,488)	\$ (1,643,488)	\$ (1,643,488)
4.64% GSMA 2015-16 "Me-Too" Salary Settlement Cost (settled)	\$ -	\$ (854,041)	\$ (854,041)	\$ (854,041)	\$ (854,041)
District PSAT Costs	\$ -	\$ (28,000)	\$ (28,000)	\$ (28,000)	\$ (28,000)
Projected Unrestricted Expenditure Adjustment	\$ 2,300,000	\$ -	\$ -	\$ -	\$ -
Projected Special Education Expenditure Adjustment	\$ (200,000)	\$ -	\$ -	\$ -	\$ -
MAA Revenue Received In Excess Of Budget	\$ 248,746	\$ -	\$ -	\$ -	\$ -
Projected Retiree Benefits Adjustment	\$ 391,000	\$ -	\$ -	\$ -	\$ -
Estimated Actuals Adjustments					
Budgeted Prior Year Carry-Over for Supplemental Program	\$ (1,913,898)	\$ -	\$ -	\$ -	\$ -
CCSS Programs Increased Budget	\$ -	\$ (408,595)	\$ (285,138)	\$ (285,138)	\$ (285,138)
Teacher Substitute Rate Increase	\$ -	\$ (650,000)	\$ (650,000)	\$ (650,000)	\$ (650,000)
Minimum Wage Rate Increase	\$ -	\$ (50,181)	\$ (83,181)	\$ (133,181)	\$ (200,181)
American Fidelity WorkxTime Payroll Services	\$ (30,000)	\$ (30,000)	\$ (30,000)	\$ (30,000)	\$ (30,000)
Special Education EA-Intensive & BIA New Positions	\$ -	\$ (1,575,561)	\$ (1,575,561)	\$ (1,575,561)	\$ (1,575,561)
Special Education Services Budget Adjustment	\$ -	\$ (1,100,000)	\$ (1,100,000)	\$ (1,100,000)	\$ (1,100,000)
I-Ready Annual Payments	\$ -	\$ (418,077)	\$ (418,077)	\$ (418,077)	\$ -
Increase In RRM 3% Contribution	\$ -	\$ (481,683)	\$ (482,085)	\$ (482,085)	\$ (482,085)
2016-17 PERS Rate Adjustment from 15% to 13.888%	\$ -	\$ 236,734	\$ 236,734	\$ 236,734	\$ 236,734
CCSS Costs Covered By Title I	\$ 200,000	\$ -	\$ -	\$ -	\$ -
Reverse One Furlough Day 2017-18	\$ -	\$ -	\$ (643,000)	\$ -	\$ -
Multi Year Plan Software Recalculation Variances	\$ -	\$ -	\$ 210,439	\$ (112,031)	\$ (262,900)
Interest Income Adjustment	\$ 114,645	\$ -	\$ -	\$ -	\$ -
LCFF P2 Adjustment	\$ (640,401)	\$ (73,239)	\$ (735,215)	\$ (929,384)	\$ (571,294)
Health and Welfare 2016-17 Inflation Reduced From 9% to 6%	\$ -	\$ 600,000	\$ 600,000	\$ 600,000	\$ 600,000
Solvency Savings	\$ -	\$ -	\$ 8,150,000	\$ 8,150,000	\$ 8,150,000
Current Year Impact	\$ (19,211,371)	\$ (12,748,693)	\$ (4,500,351)	\$ (3,492,904)	\$ 4,232,718
Cumulative Impact to Ending Balance	\$ (19,211,371)	\$ (31,960,064)	\$ (36,460,414)	\$ (39,953,318)	\$ (35,720,600)
Adjusted Ending Balance Projection	\$ 33,182,610	\$ 26,054,774	\$ 21,923,859	\$ 12,715,227	\$ 4,780,524
Designated and Restricted Portion:					
Revolving Cash	\$ 70,000	\$ 70,000	\$ 70,000	\$ 70,000	\$ 70,000
Stores	\$ 70,806	\$ 70,806	\$ 70,806	\$ 70,806	\$ 70,806
Prepaid Expenditures	\$ 1,324,233	\$ 888,655	\$ 453,078	\$ -	\$ -
3% Mandated Reserve for Economic Uncertainties	\$ 8,288,430	\$ 8,264,920	\$ 8,140,600	\$ 8,323,039	\$ 8,519,751
Reserve For Future LACOE System Charges	\$ -	\$ 900,000	\$ 900,000	\$ 900,000	\$ 900,000
Reserve LCFF Net Income Growth less STRS/PERS Increases & Solvency	\$ -	\$ 5,086,850	\$ 10,684,506	\$ 1,771,901	\$ -
Reserve for Regular e/o and MAA	\$ 1,385,622	\$ 1,385,622	\$ 1,385,622	\$ 1,385,622	\$ 1,385,622
Reserve for Planned Operational Draw-Down	\$ 2,142,282	\$ -	\$ -	\$ -	\$ -
Adjusted Balance in Excess of Assigned And 3% Reserve	\$ 19,901,237	\$ 9,387,921	\$ 219,247	\$ 193,859	\$ (6,165,655)

GENERAL FUND
Unrestricted Program Only
REVENUES, EXPENDITURES AND CHANGES
IN FUND BALANCE

Long Range Financial Projection (V1)

Description	Account Codes	Base Year 2016/17	Proj. 1 2017/18	Proj. 2 2018/19	Proj. 3 2019/20	Proj. 4 2020/21	Proj. 5
A. REVENUES							
1) Revenue Limit Sources	8010-8099	213,828,409	219,531,727	220,503,476	228,232,300	228,232,300	0
2) Federal Revenues	8100-8299	200,000	200,000	200,000	200,000	200,000	0
3) Other State Revenues	8300-8599	9,850,728	4,494,200	4,491,680	4,498,680	4,518,140	0
4) Other Local Revenues	8600-8799	3,672,695	3,672,695	3,672,695	3,672,695	3,672,695	0
5) TOTAL REVENUES		227,551,832	227,898,622	228,867,851	236,603,675	236,623,135	0
B. EXPENDITURES							
1) Certificated Salaries	1000-1999	102,385,717	96,048,426	97,443,575	98,908,451	100,496,313	0
2) Classified Salaries	2000-2999	21,267,382	21,267,382	21,267,382	21,267,382	21,267,382	0
3) Employee Benefits	3000-3999	48,468,797	50,551,135	54,445,314	59,134,637	62,688,558	0
4) Books and Supplies	4000-4999	4,438,535	3,809,589	3,818,747	3,426,031	3,443,643	0
5) Services, Other Operatin Expense	5000-5999	16,747,573	16,959,658	17,215,197	17,483,513	17,765,245	0
6) Capital Outlay	6000-6999	81,592	81,592	81,592	81,592	81,592	0
7) Other Outgo	7100-7299	390,570	390,570	390,570	390,570	390,570	0
8) Direct Support/Indirect Cost	7300-7399	(909,816)	(909,345)	(909,344)	(909,344)	(909,344)	0
9) TOTAL EXPENDITURES		192,870,350	188,199,007	193,753,033	199,782,832	205,223,959	0
C. EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES BEFORE OTHER FINANCING SOURCES AND USES (A5 - B9)							
		34,681,482	39,699,615	35,114,818	36,820,843	31,399,176	0
D. OTHER FINANCING SOURCES/USES							
1) Interfund Transfers							
a) Transfers In	8910-8929	1,481,351	0	0	0	0	0
b) Transfers Out	7610-7629	1,015,000	1,015,000	1,015,000	1,015,000	1,015,000	0
2) Other Sources							
Other Uses	7630-7699	0	0	0	0	0	0
3) Contributions to Restrict Programs							
	8980-8999	(42,275,669)	(42,815,530)	(43,308,450)	(43,740,546)	(44,201,732)	0
4) TOTAL, OTHER SOURCES/USES							
		(41,809,318)	(43,830,530)	(44,323,450)	(44,755,546)	(45,216,732)	0

GENERAL FUND
Unrestricted Program Only
REVENUES, EXPENDITURES AND CHANGES
IN FUND BALANCE

Long Range Financial Projection (V1)

Description	Account Codes	Base Year 2016/17	Proj. 1 2017/18	Proj. 2 2018/19	Proj. 3 2019/20	Proj. 4 2020/21	Proj. 5
E. NET INCREASE (DECREASE)							
IN FUND BALANCE							
What If? Sources		0	0	0	0	0	0
What If? Uses		0	0	0	0	0	0
Total (What If + C + D4)		(7,127,836)	(4,130,915)	(9,208,632)	(7,934,703)	(13,817,556)	0
F. FUND BALANCE, RESERVES							
1) Beginning Balance		33,182,610	26,054,774	21,923,859	12,715,227	4,780,524	0
a) Adjustments		0	0	0	0	0	0
b) Net Beginning Balance		33,182,610	26,054,774	21,923,859	12,715,227	4,780,524	0
2) Ending Balance (E + F1b)		26,054,774	21,923,859	12,715,227	4,780,524	(9,037,032)	0
COMPONENTS OF ENDING FUND BALANCE							
a) Reserved Amounts							
Revolving Cash	9711	70,000	70,000	70,000	70,000	70,000	0
Stores	9712	70,806	70,806	70,806	70,806	70,806	0
Other, Prepay, Etc.	9719	888,655	453,078	0	0	0	0
General Reserve	9730	0	0	0	0	0	0
Legally Restricted Balances	9740	0	0	0	0	0	0
b) Designated Amounts							
For Economic							
Uncertainties	9770	8,264,920	8,140,600	8,323,039	8,519,751	8,698,804	0
Other Designated	9780	7,372,472	12,970,128	4,057,523	2,285,622	2,285,622	0
	97yy	0	0	0	0	0	0
c) FREE Balance	9790	9,387,921	219,247	193,859	0	0	0
d) (DEFICIT) Balance	9790	0	0	0	(6,165,655)	(20,162,264)	0

GENERAL FUND
Restricted Program Only
REVENUES, EXPENDITURES AND CHANGES
IN FUND BALANCE

Long Range Financial Projection (V1)

Description	Account Codes	Base Year 2016/17	Proj. 1 2017/18	Proj. 2 2018/19	Proj. 3 2019/20	Proj. 4 2020/21	Proj. 5
A. REVENUES							
1) Revenue Limit Sources	8010-8099	0	0	0	0	0	0
2) Federal Revenues	8100-8299	14,524,549	14,521,360	14,530,089	14,554,261	14,571,047	0
3) Other State Revenues	8300-8599	17,323,350	17,313,978	17,339,629	17,410,661	17,459,989	0
4) Other Local Revenues	8600-8799	7,488,409	7,488,409	7,488,409	7,488,409	7,488,409	0
5) TOTAL REVENUES		39,336,308	39,323,747	39,358,127	39,453,331	39,519,445	0
B. EXPENDITURES							
1) Certificated Salaries	1000-1999	23,689,513	23,687,534	23,687,523	23,687,519	23,687,520	0
2) Classified Salaries	2000-2999	19,451,926	19,451,659	19,451,654	19,451,653	19,451,652	0
3) Employee Benefits	3000-3999	18,512,062	19,038,706	19,565,999	20,093,298	20,620,598	0
4) Books and Supplies	4000-4999	3,473,178	3,474,255	3,474,252	3,474,251	3,474,251	0
5) Services, Other Operatin Expense	5000-5999	14,505,959	14,507,239	14,507,234	14,507,233	14,507,232	0
6) Capital Outlay	6000-6999	81,750	81,306	81,306	81,306	81,306	0
7) Other Outgo	7100-7299	530,000	530,000	530,000	530,000	530,000	0
8) Direct Support/Indirect Cost	7300-7399	508,816	508,345	508,344	508,344	508,344	0
9) TOTAL EXPENDITURES		80,753,204	81,279,044	81,806,312	82,333,604	82,860,903	0
C. EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES BEFORE OTHER FINANCING SOURCES AND USES (A5 - B9)		(41,416,896)	(41,955,297)	(42,448,185)	(42,880,273)	(43,341,458)	0
D. OTHER FINANCING SOURCES/USES							
1) Interfund Transfers							
a) Transfers In	8910-8929	0	0	0	0	0	0
b) Transfers Out	7610-7629	858,773	860,276	860,275	860,275	860,275	0
2) Other Sources							
Other Uses	7630-7699	0	0	0	0	0	0
3) Contributions to Restrict Programs							
	8980-8999	42,275,669	42,815,530	43,308,450	43,740,546	44,201,732	0
4) TOTAL, OTHER SOURCES/USES							
		41,416,896	41,955,254	42,448,175	42,880,271	43,341,457	0

GENERAL FUND
Restricted Program Only
REVENUES, EXPENDITURES AND CHANGES
IN FUND BALANCE

Long Range Financial Projection (V1)

Description	Account Codes	Base Year 2016/17	Proj. 1 2017/18	Proj. 2 2018/19	Proj. 3 2019/20	Proj. 4 2020/21	Proj. 5
E. NET INCREASE (DECREASE)							
IN FUND BALANCE							
What If? Sources		0	0	0	0	0	0
What If? Uses		0	0	0	0	0	0
Total (What If + C + D4)		0	(43)	(10)	(2)	(1)	0
F. FUND BALANCE, RESERVES							
1) Beginning Balance		7,026,635	7,026,635	7,026,592	7,026,582	7,026,580	0
a) Adjustments		0	0	0	0	0	0
b) Net Beginning Balance		7,026,635	7,026,635	7,026,592	7,026,582	7,026,580	0
2) Ending Balance (E + F1b)		7,026,635	7,026,592	7,026,582	7,026,580	7,026,579	0
COMPONENTS OF ENDING FUND BALANCE							
a) Reserved Amounts							
Revolving Cash	9711	0	0	0	0	0	0
Stores	9712	0	0	0	0	0	0
Other, Prepay, Etc.	9719	0	0	0	0	0	0
General Reserve	9730	0	0	0	0	0	0
Legally Restricted Balances	9740	7,026,635	7,026,592	7,026,582	7,026,580	7,026,579	0
b) Designated Amounts							
For Economic Uncertainties							
Uncertainties	9770	0	0	0	0	0	0
Other Designated	9780	0	0	0	0	0	0
	97yy	0	0	0	0	0	0
c) FREE Balance							
	9790	0	0	0	0	0	0
d) (DEFICIT) Balance							
	9790	0	0	0	0	0	0

GENERAL FUND
Unrestricted And Restricted
REVENUES, EXPENDITURES AND CHANGES
IN FUND BALANCE

Long Range Financial Projection (V1)

Description	Account Codes	Base Year 2016/17	Proj. 1 2017/18	Proj. 2 2018/19	Proj. 3 2019/20	Proj. 4 2020/21	Proj. 5
A. REVENUES							
1) Revenue Limit Sources	8010-8099	213,828,409	219,531,727	220,503,476	228,232,300	228,232,300	0
2) Federal Revenues	8100-8299	14,724,549	14,721,360	14,730,089	14,754,261	14,771,047	0
3) Other State Revenues	8300-8599	27,174,078	21,808,178	21,831,309	21,909,341	21,978,129	0
4) Other Local Revenues	8600-8799	11,161,104	11,161,104	11,161,104	11,161,104	11,161,104	0
5) TOTAL REVENUES		266,888,140	267,222,369	268,225,978	276,057,006	276,142,580	0
B. EXPENDITURES							
1) Certificated Salaries	1000-1999	126,075,230	119,735,960	121,131,098	122,595,970	124,183,833	0
2) Classified Salaries	2000-2999	40,719,308	40,719,041	40,719,036	40,719,035	40,719,034	0
3) Employee Benefits	3000-3999	66,980,859	69,589,841	74,011,313	79,227,935	83,309,156	0
4) Books and Supplies	4000-4999	7,911,713	7,283,844	7,292,999	6,900,282	6,917,894	0
5) Services, Other Operatin Expense	5000-5999	31,253,532	31,466,897	31,722,431	31,990,746	32,272,477	0
6) Capital Outlay	6000-6999	163,342	162,898	162,898	162,898	162,898	0
7) Other Outgo	7100-7299	920,570	920,570	920,570	920,570	920,570	0
8) Direct Support/Indirect Cost	7300-7399	(401,000)	(401,000)	(401,000)	(401,000)	(401,000)	0
9) TOTAL EXPENDITURES		273,623,554	269,478,051	275,559,345	282,116,436	288,084,862	0
C. EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES BEFORE OTHER FINANCING SOURCES AND USES (A5 - B9)							
		(6,735,414)	(2,255,682)	(7,333,367)	(6,059,430)	(11,942,282)	0
D. OTHER FINANCING SOURCES/USES							
1) Interfund Transfers							
a) Transfers In	8910-8929	1,481,351	0	0	0	0	0
b) Transfers Out	7610-7629	1,873,773	1,875,276	1,875,275	1,875,275	1,875,275	0
2) Other Sources							
Other Uses	7630-7699	0	0	0	0	0	0
3) Contributions to Restrict Programs							
	8980-8999	0	0	0	0	0	0
4) TOTAL, OTHER SOURCES/USES		(392,422)	(1,875,276)	(1,875,275)	(1,875,275)	(1,875,275)	0

GENERAL FUND
Unrestricted And Restricted
REVENUES, EXPENDITURES AND CHANGES
IN FUND BALANCE

Long Range Financial Projection (V1)

Description	Account Codes	Base Year 2016/17	Proj. 1 2017/18	Proj. 2 2018/19	Proj. 3 2019/20	Proj. 4 2020/21	Proj. 5
E. NET INCREASE (DECREASE)							
IN FUND BALANCE							
What If? Sources		0	0	0	0	0	0
What If? Uses		0	0	0	0	0	0
Total (What If + C + D4)		(7,127,836)	(4,130,958)	(9,208,642)	(7,934,705)	(13,817,557)	0
F. FUND BALANCE, RESERVES							
1) Beginning Balance		40,209,245	33,081,409	28,950,451	19,741,809	11,807,104	0
a) Adjustments		0	0	0	0	0	0
b) Net Beginning Balance		40,209,245	33,081,409	28,950,451	19,741,809	11,807,104	0
2) Ending Balance (E + F1b)		33,081,409	28,950,451	19,741,809	11,807,104	(2,010,453)	0
COMPONENTS OF ENDING FUND BALANCE							
a) Reserved Amounts							
Revolving Cash	9711	70,000	70,000	70,000	70,000	70,000	0
Stores	9712	70,806	70,806	70,806	70,806	70,806	0
Other, Prepay, Etc.	9719	888,655	453,078	0	0	0	0
General Reserve	9730	0	0	0	0	0	0
Legally Restricted Balances	9740	7,026,635	7,026,592	7,026,582	7,026,580	7,026,579	0
b) Designated Amounts							
For Economic Uncertainties	9770	8,264,920	8,140,600	8,323,039	8,519,751	8,698,804	0
Other Designated	9780	7,372,472	12,970,128	4,057,523	2,285,622	2,285,622	0
	97yy	0	0	0	0	0	0
c) FREE Balance	9790	9,387,921	219,247	193,859	0	0	0
d) (DEFICIT) Balance	9790	0	0	0	(6,165,655)	(20,162,264)	0

GLENDALE UNIFIED SCHOOL DISTRICT

ATTACHMENT H

Per Education Code Section 42127(a)(2)(B), the following reserve exceeding minimum Reserve for Economic Uncertainties was presented at a public hearing on May 24, 2016 and to be Adopted on June 21, 2016.

<u>Components Based on the May 24, 2016 Proposed Budget</u>	Estimated	MYP		
	<u>2015-16</u>	<u>2016-17</u>	<u>2017-18</u>	<u>2018-19</u>
<u>3% Mandated Reserve for Economic Uncertainties (REU)</u>	8,288,430	8,264,920	8,140,600	8,323,039
<u>Assigned Amounts</u>				
Reserve for Future LACOE Charges	0	900,000	900,000	900,000
Reserve LCFF Net Income Growth less STRS/PERS Increases & solvency	0	5,086,850	10,684,506	1,771,901
Reserve for Regular Carry-Over MAA	1,385,622	1,385,622	1,385,622	1,385,622
Reserve for Planned Operational Draw-Down	2,142,282	0	0	0
<u>Unassigned/Unappropriated Balance</u>	28,189,666	17,652,840	8,359,846	8,516,897
Total of Assigned and Unassigned/Unappropriated Balances	31,717,570	25,025,312	21,329,974	12,574,420
<u>Reserve Exceeding Minimum REU</u>	23,429,140	16,760,392	13,189,374	4,251,381
<u>Reasons for reserves in excess of minimum REU:</u>				
Reserve for Future LACOE Charges	0	900,000	900,000	900,000
Reserve LCFF Net Income Growth less STRS/PERS Increases & solvency	0	5,086,850	10,684,506	1,771,901
Reserve for Regular Carry-Over MAA	1,385,622	1,385,622	1,385,622	1,385,622
Reserve for Planned Operational Draw-Down	2,142,282	0	0	0
Unassigned Balance for Operational Solvency	19,901,236	9,387,920	219,246	193,858
Sub-total Reserve Exceeding Minimum REU	23,429,140	16,760,392	13,189,374	4,251,381