

# Preview of Governor's 2019-20 January Budget Proposal and GUSD Budget Update

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Information Report No. 2

Presented by: Stephen Dickinson

Chief Business and Financial Officer





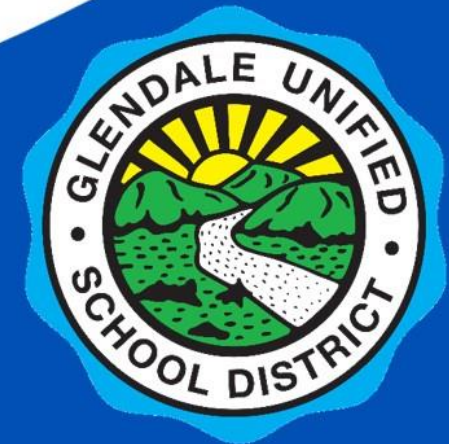
# Governor's 2019-20 January Budget Proposal (Preliminary Highlights as of 1/10/19)

- COLA of 3.46% (increase from previous estimate of 2.57%)
- State payment of \$3 billion directly to STRS to lower the rates in 2019-20 and 2020-21
- No one-time discretionary funds
- One-time funds for full-day Kindergarten facility retrofit costs
- Prop 51 bonds – sale of \$1.5 billion for match programs

# DRAFT GUSD Solvency Plan for 2019-20 (As of 1/4/19 2:00 pm)

Working document toward the final Solvency Plan  
for the 2019-20 Budget Adoption

Presented by: Stephen Dickinson, CBO  
GUSD Senior Cabinet





# Revenue Topics for 2019-20 Budget Assumptions

<b>Proposed Action</b>	<b>Target Revenue Incr./Decr.</b>	<b>Estimated Actual Revenue Incr./Decr.</b>
Maintain ADA percent at 96.9% – budget assumption/consensus	\$0	\$0
Recommend enrollment projection of -1.077% decline = -278 (2020-21 revenue)	\$0	\$0
LCFF improvement over COLA – January and May 2019 Gov. Budget proposals	\$0	\$0
Other	\$0	\$0
Other	\$0	\$0
<b>Subtotals</b>	<b>\$0</b>	<b>\$0</b>



# Possible Budget Reductions 2019-20

## Expenditures – Services, Supplies and Non-Personnel

<b>Proposed Action</b>	<b>Target Savings</b>	<b>Estimated Actual Savings</b>
Copier/printer equip and service (phase-in over 2-3 years)	\$150,000	\$150,000
MS Summer School	\$317,867	\$317,867
Sub costs	\$500,000	\$500,000
Department budget reductions	\$1,132,133	\$1,132,133
<b>Subtotals</b>	<b>\$2,100,000</b>	<b>\$2,100,000</b>

Plus 2018-19 department budget savings/sweep – 1x only savings = \$ estimating \$250,000 minimum



# Possible Budget Reductions 2019-20

## Expenditures – Salaries and Benefits

<b>Proposed Action</b>	<b>Target Savings</b>	<b>Estimated Actual Savings</b>
Admin/mgmt staffing level – worksheet	\$600,000	\$600,000
Classified staffing level – worksheet	\$800,000	\$800,000
Certificated staffing level for declining enrollment – worksheet	\$1,500,000	\$1,500,000
H&W rates higher/lower than budgeted – information in May 2019	\$0	\$0
<b>Subtotals</b>	<b>\$2,900,000</b>	<b>\$2,900,000</b>
<b>Target Total</b>	<b>\$5,000,000</b>	<b>\$5,000,000</b>