

Update on the 2014-15 BUDGET

**Glendale Unified School District
Board Of Education Meeting – August 12, 2014
Discussion Report No. 2**

**Eva Rae Lueck, Chief Business & Financial Officer
Mike Lee, Controller**

Budget Report No. 1

Variables that Impact Budget Projection

- **GAP Funding Percentage**
- **Unduplicated Count Percentage**
- **Grade Level Average Daily Attendance (ADA)**
- **New STRS Contribution**

Shifting of GAP Funding Percentage

	Gov. January Budget	Gov. May Revise Budget	July State Adopted Budget
<u>2014-15</u>			
GAP %	28.05%	28.06%	29.56%
Dollars	\$ 16,765,624	\$ 16,783,334	\$ 17,814,857
<u>2015-16</u>			
GAP %	33.95%	30.39%	20.68%
Dollars	\$ 16,121,169	\$ 14,471,347	\$ 9,639,392
<u>2016-17</u>			
GAP %	21.67%	19.50%	25.48%
Dollars	\$ 7,961,229	\$ 7,478,661	\$ 10,740,805

Shift in Unduplicated Count Percentage

- **2013-14** **55.95%**
- **2014-15** **56.97%**
- **2015-16 (Projected)** **57.31%**
- **2016-17 (Projected)** **58.11%**

Budgeted 2014-15 57%

Shift in Grade Level Average Daily Attendance (ADA)

Grade Span	2014-15 ADA (Prior Year)	2014-15 \$ Per ADA (Base Grant)
TK-3	7,540	\$ 7,740
4-6	5,490	7,116
7-8	3,725	7,328
9-12	8,425	8,712
TOTAL	25,180	

Impact of New STRS/PERS Contribution

	2008-09	2014-15		2015-16		2016-17	
		Adopted Budget	State Budget	Adopted Budget	State Budget	Adopted Budget	State Budget
<u>STRS</u>	8.25%	8.25%	8.88%	8.25%	10.73%	8.25%	12.58%
Not Budgeted		 \$.656 M ↑		 \$2.6 M ↑		 \$4.5 M ↑	

PERS Increase

<u>PERS</u>	9.428%	9.428%	11.77%	9.428%	12.6%	9.428%	15%
Budgeted		 \$.705 M ↑		 \$.955 M ↑		 \$1.7M ↑	

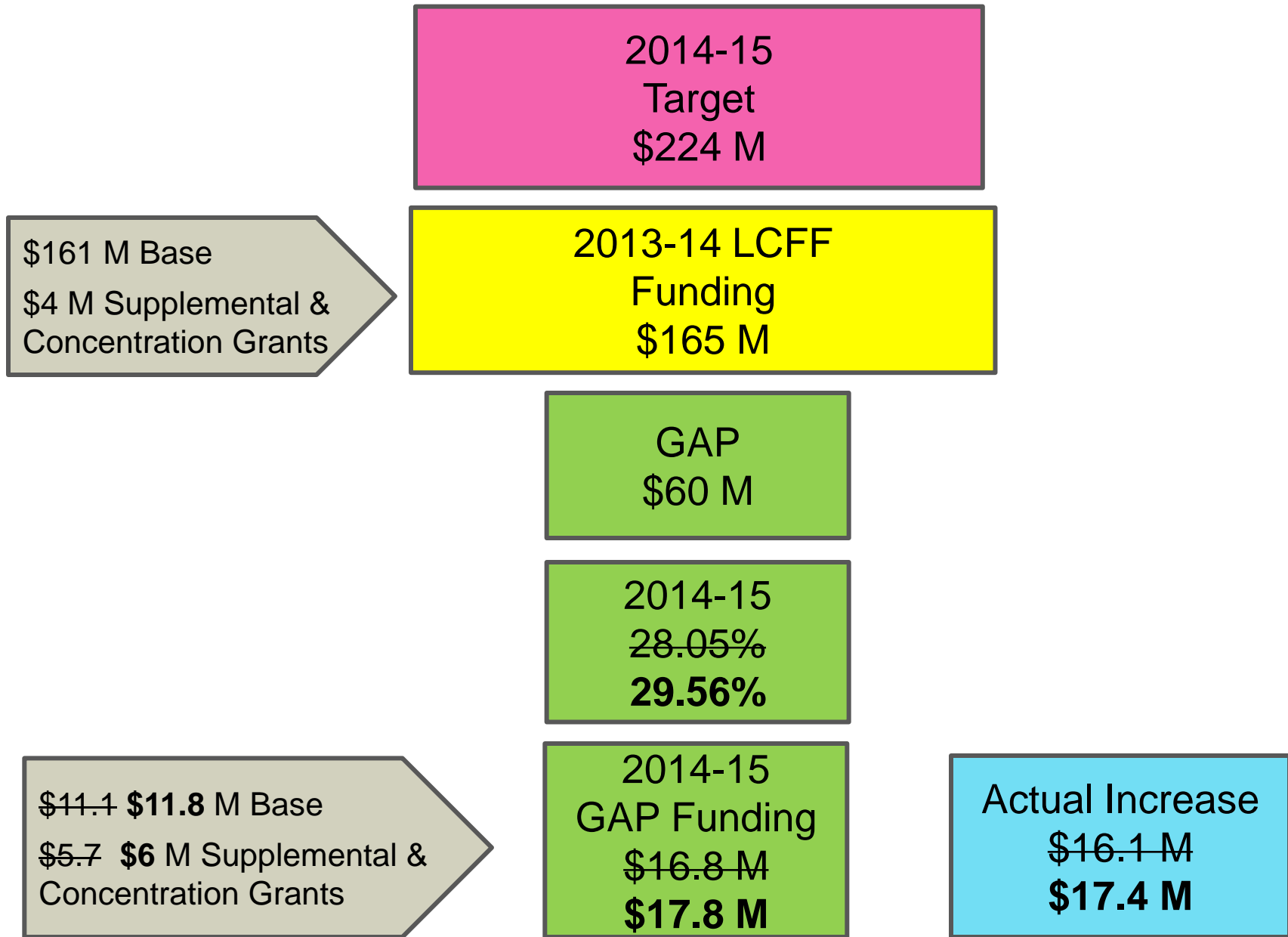
State Budget CAP on Local Reserves

- **District reserves not to exceed 6% starting in 2015-16 (Includes other non-restricted funds, i.e., Deferred Maintenance, Debt Service Fund).**
 - Pending:
 - Passage of “Rainy Day Fund” November ballot measure
 - State Contribution to “Rainy Day Fund”

- **If GUSD adopts a budget with an ending fund balance in excess of 6%**
 - Prepare a statement that substantiates the need for the excess
 - Examples: one-time expenditures for infrastructure, maintenance and repair, technology, contributions to unfunded liabilities such as Other Post Employment Benefits (OPEB), or other needs as determined by the local board.
 - Exemption to reserve limit
 - “Extraordinary Fiscal Circumstances”
 - Limited to two consecutive fiscal years in a three-year period

Gap Funding and Proportionality Calculation

Final 2014-15 State Budget



Mandated Program Reimbursement

- **State owes GUSD \$34.8 million**
- **\$400.5 million in one-time money to be allocated based on the 2013-14 P-2 ADA**
 - \$66 per ADA (estimated)
 - GUSD, \$1.6 million (est.)
 - Allocated to I-Ready Program

Budget Revision Update for 2014-15

State

- Revised LCFF Funding Variable \$ 1,649,525
- LCFF Payment to LACOE for County Schools \$ (202,553)
- STRS Rate Increase \$ (655,733)
- Mandated Cost Revenue \$ 1,617,303

District

- I-Ready Expense \$ (1,617,303)

Future Revisions

- **2013-14 Ending Fund Balance**
 - **Allocate Carry-Over Monies**
- **Finalize 2014-15 Staffing**