

Draft Budget for 2014-15

**Glendale Unified School District
Board Of Education Meeting – May 20, 2014
Discussion Report No. 3**

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

Budget Report No. 8

Themes for the May Revision

■ Proposal to Retire California State Teachers Retirement System (CALSTRS) Unfunded Liability

- Employee contribution increase from 8% to 10.25% of pay (phased in over next three years)
- Employer contribution increase from 8.25% to 19.1% of payroll (phased in over next seven years)

■ K-12 Deferral Buy Back

- Retirement of all deferrals by the end of 2014-15 fiscal year
- Combination of one-time and ongoing funds \$742 Million

■ Rainy Day Fund

- Set aside 1.5% of annual General Fund revenue
- Additional deposits when Capital gain revenues increase to more than 8% of General Fund tax revenue

2014-15 Budget Before May Revise

Items to Consider

- 2013-14 Year-end Balance?
- 2014-15 Workers' Compensation Rate?
- 2014-15 STRS/PERS Rate?
- May Revise?
- Final State Budget 2014-15?

2013-14 Projected Year-End Balance

2013-14 Unrestricted General Fund Balance

Unrestricted General Fund	Projected May 20, 2014
Designated for Economic Uncertainty	\$ 7,158,814
Revolving Cash & Warehouse	196,879
MAA, Tier III, Miscellaneous	2,502,790
School Site & Program Carry Overs	?
Unassigned Reserve	16,315,383
Total Unrestricted General Fund Balance	\$ 26,173,866

REVISED 5/19/2014

Multi-Year Budget Assumptions

■ GUSD Budget Assumptions (Gov. Jan. Budget Proposal)

	2013-14	2014-15	2015-16	2016-17	
Total Projected LCFF Revenue Increase	\$7 M	\$16.1 M	\$15.2 M	\$6.7 M	
Breakdown					Target
Supplemental/Concentration*	\$4.1 M	\$9.8 M	?	?	\$24.5 M

■ 2013-14 Employee Salary Increase 3%

- **STRS – 8.25%**
- **Workers' Compensation – 3.53%**
- **PERS – 11.771%**

■ Health & Welfare

- **2014-15 – No Increase**
- **2015-16 – \$950,000**
- **2016-17 – \$950,000**

*Unduplicated Count Approximately 57%

Local Control Accountability Plan (LCAP)

- **Link Board Goals, District's Strategic Plan, and the 8 State Priorities Together to Create LCAP Goals that Identify:**
 - **Needs/Actions to Support Student Achievement**
 - **Targeted Subgroups to Close Achievement Gap**

2014-15 Program Enhancement

■ Alignment of Funding with LCAP

➤ English Language Learners (ELL)/Low Income

- Grades 1-3 class size at 25.9:1 (9 FTE)
- FLAG program grade expansion (10 FTE)
- Restoration of Assistant Principals allocation (3 FTE)
- Restoration of 1 FTE per 1,000 students at each secondary (12 FTE)
- School Site Based Intervention Program (\$2.8 M)
- Intervention/Curriculum implementation (1 FTE)

2014-15 Program Enhancement

■ Alignment of Funding with LCAP

➤ College/Career Ready

- Expansion of CTE Programs/Pathway Options (2.2 FTE)
- School site/program support (3.5 FTE)
- Roosevelt Restructuring (2.4 FTE)
- FACTS (1 FTE)

➤ Social/Emotional

- Psychologists/Nurses (5.7 FTE)
- School site/Program clerical support (2.5 FTE)

Multi-Year Budget Projection

	2014-15	2015-16	2016-17
Unassigned Ending Balance	\$34,289,783	\$27,562,310	\$18,848,455
Revolving Cash & Warehouse	\$196,879	\$196,879	\$196,879
Designated for Economic Uncertainty	\$6,918,747	\$7,047,898	\$7,069,130
MAA, Tier III, Miscellaneous	\$2,152,198	\$1,878,606	\$2,891,014
Reserve LCFF Net Income Growth	-	\$15,219,081	\$37,182,415
Total Unrestricted General Fund Balance	\$43,557,607	\$51,904,774	\$66,187,893

Not Included in the Budget Projection

Proposed CalSTRS Cumulative Impact	\$(1,339,408)	\$(4,411,987)	\$(9,187,211)
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Next Steps

- **Evaluate State May Revise Budget Impacts**
- **Board Adoption of 2014-15 District LCAP and Budget on June 17, 2014**
- **Finalize Ending Fund Balance (Aug. 2014)**
- **Finalize Workers' Compensation Rate**
- **Finalize STRS/PERS Rate**