

REVISED 5/19/2020

GUSD Plan to Maintain District Solvency and Financial Responsibility

May 19, 2020

Information Report No. 1

Presented by: Stephen Dickinson

Chief Business and Financial Officer



Excelling Together with Endless Pathways for Success!



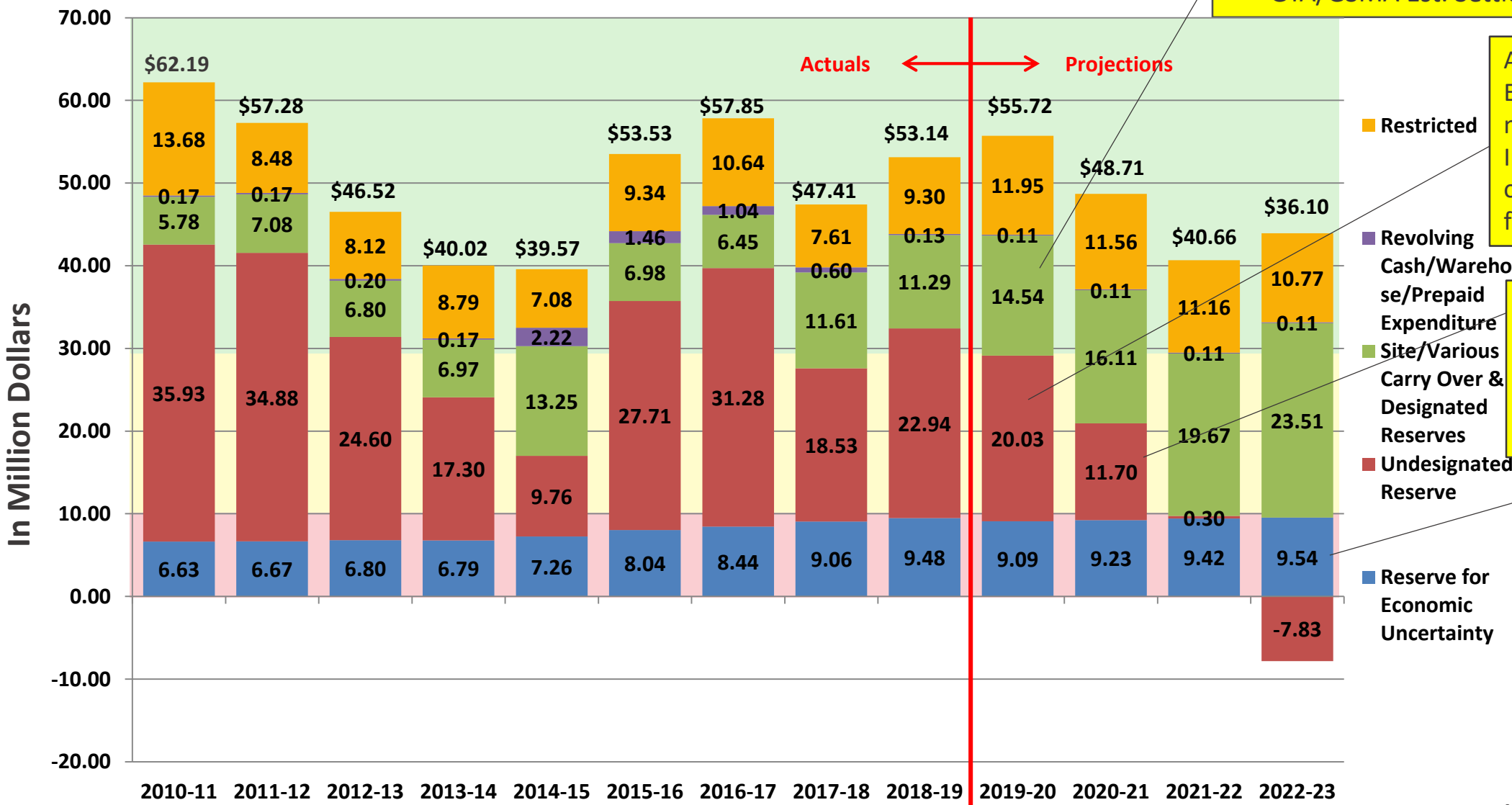
Preview of 2020-21 Governor's May Revision

- Preliminary numbers indicate that the State is in a deep economic recession due to the impact of COVID-19
- Department of Finance
 - Total State Deficit \$54 billion
 - General Fund Revenues ↓ \$41.2 billion over 3 years
 - 2018-19: +\$0.7 billion
 - 2019-20: -\$9.7 billion
 - 2020-21: -\$32.2 billion
 - Proposition 98 ↓ \$19 billion
 - Cash Deferrals

2019-20 Second Interim Summary of General Fund Ending Fund Balances

Designated Reserves:

- LACOE charges=\$.56
- Carry over/MAA/One Time Disc.=\$10.14
- GTA/GSMA Est. Settlement @2.5%=\$3.8



Assumes \$5m ongoing Expense reductions are made for 2019-20
Includes \$2.4m PS SPED one time & \$.83m SPED funding

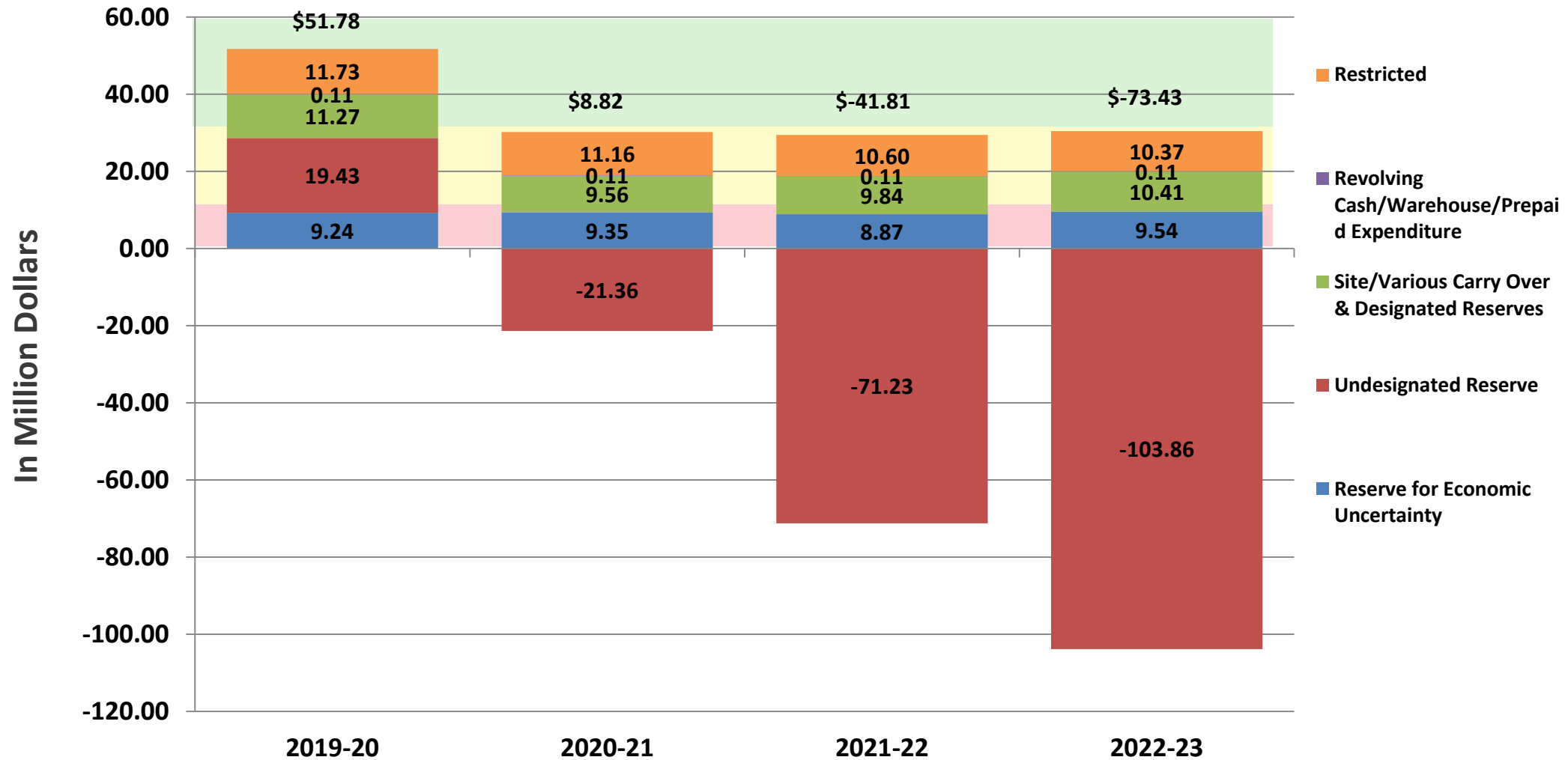
Assumes \$5m ongoing Expense reductions in 2020-21 & \$2.5m increase in SPED Funding

3% REU grows in proportion to total budget

- Restricted
- Revolving Cash/Warehouse/Prepaid Expenditure
- Site/Various Carry Over & Designated Reserves
- Undesignated Reserve
- Reserve for Economic Uncertainty



2020-21 Projected Budget Scenario 1 (-10% COLA for 20-21, 0% COLA for 21-22 & 22-23) Summary of General Fund Ending Fund Balances

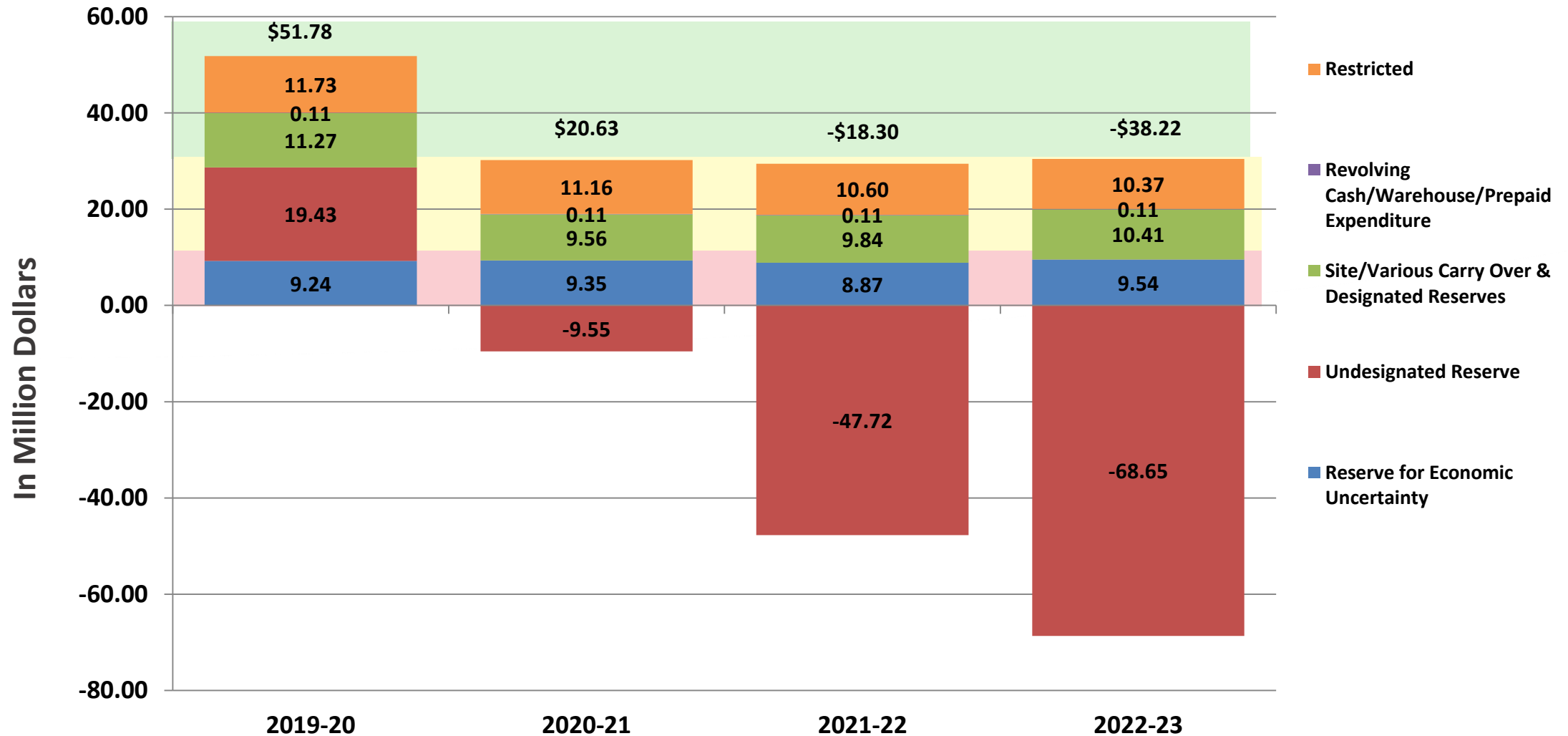




2020-21 Projected Budget

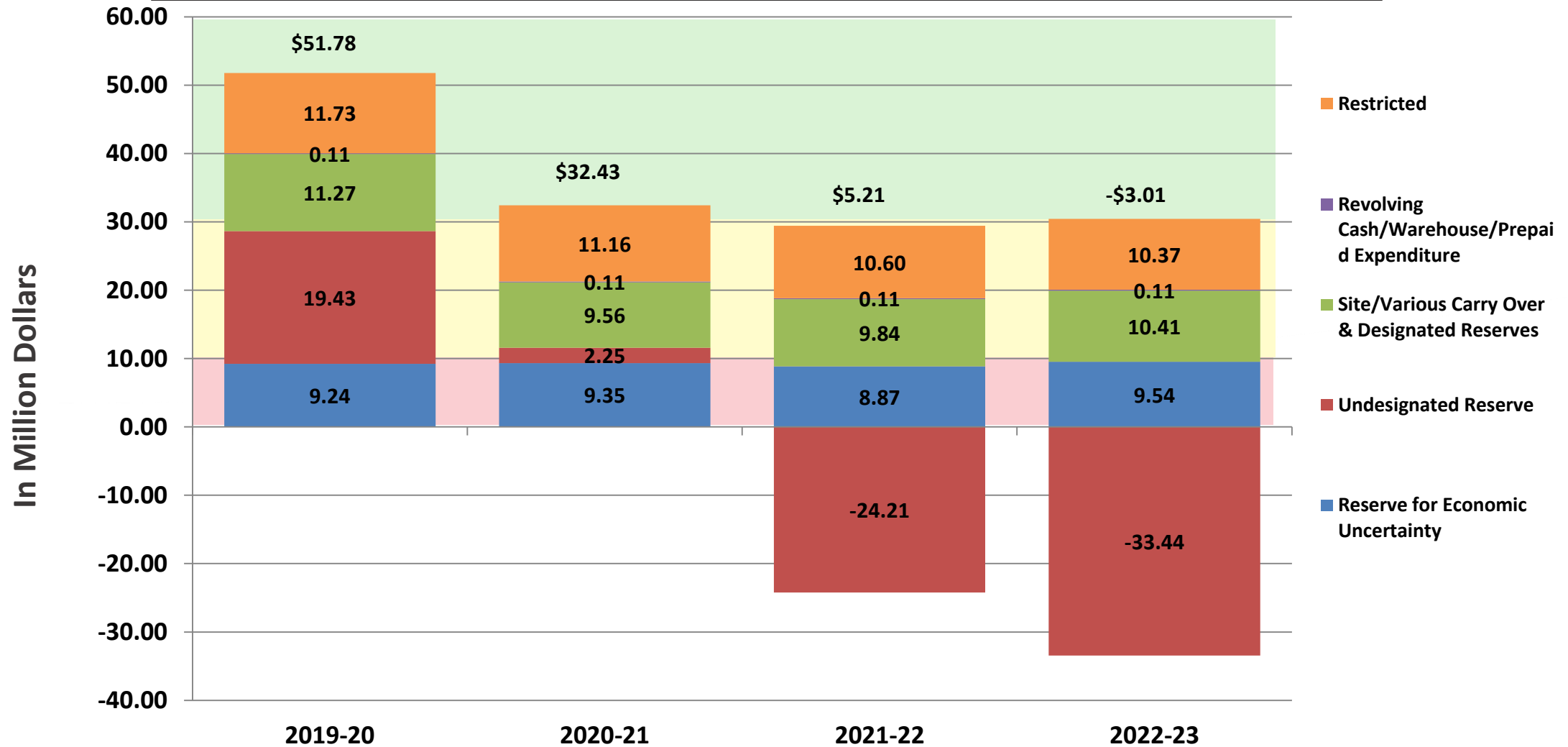
Scenario 2 (-5% COLA for 20-21, 0% COLA for 21-22 & 22-23)

Summary of General Fund Ending Fund Balances



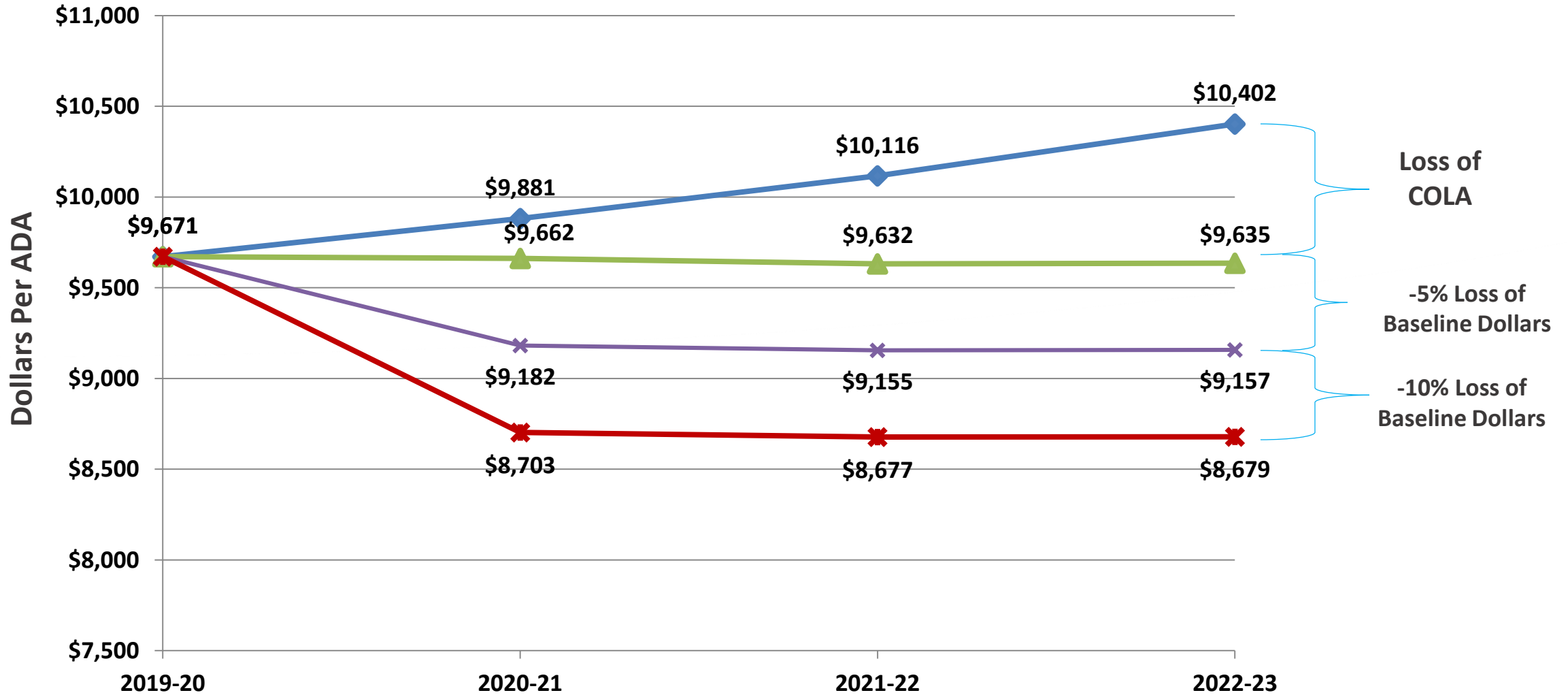


2020-21 Projected Budget Scenario 3 (0% COLA for 20-21, 21-22 & 22-23) Summary of General Fund Ending Fund Balances





Multi-Year Projected Budget No COLA and Decrease in Base Year Funding





Potential Budget Risks

- Increased COVID-19 Costs
- Economic Recovery
- 2020-21 School Year
- Final State Budget



Mitigating Factors

- CalSTRS Rate 2020-21 from 18.4% to 16.15%
- CalPERS Rate 2020-21 from 22.68% to 20.7%
- SPED IDEA – AB 602
- SPED CARES Act (TBD)
- CARES Concentration (TBD/Unlikely)



Other Possible Mitigating Factors

- Federal “Triggered Off” Funding
- Routine Restricted Maintenance Account (RRMA) 3%
- Continuing ADA Hold Harmless
- Flexibility with Instructional Days/Minutes

Next Steps

- June 2, 2020 – 2020-21 Budget Hearing
- June 16, 2020 – 2020-21 Budget Adoption

COVID-19

Summary of Additional Expenditures and Potential Savings

DRAFT – Updated Weekly

May 18, 2020





Categories of Additional Expenses Based on SB 117

- Maintaining Nutrition Services
- Cleaning and Disinfecting Facilities
- Personal Protective Equipment
- Distance Learning/Technology
- Other



Maintaining Nutrition Services

As of May 18, 2020

- Pop-up Canopy – \$1,323
- Banners – \$3,804
- Plastic bags – \$2,748
- Waste disposal – \$1,082
- Ponchos – \$659
- Supply – \$519
- Food cost - \$ to be determined by 6/30/20

(tracking food cost but not included in total – already reimbursed thru National/State Nutrition Service Programs)

- **Subtotal = \$10,135**



Cleaning and Disinfecting Facilities

As of May 18, 2020

- Hand sanitizer – \$47,925
- Microfiber Cloths – \$1,356
- Professional Cleaning Services (P.O.) – \$20,328
- Cleaning Supplies – \$20,355
- **Subtotal = \$89,964**



Personal Protective Equipment

As of May 18, 2020

- Cloth masks – \$18,813+ (in process)
- Face shields – \$1,868
- No touch thermometers – \$2,500 (in process)
- **Subtotal = \$23,181**



Distance Learning/Technology

As of May 18, 2020

- Composition Books – \$1,535
- Edgenuity – \$103,500
- Printing Services – \$496
- Hotspots (500 for 3 months of data cost) – \$79,985
- One-to-one Chromebooks – \$3,086,033
- FLAG Program – Substitute Cost – \$ to be determined by 6/30/20
- Summer School – \$ to be determined by 6/30/20
- **Subtotal = \$3,271,549**



Other Expenditures

As of May 18, 2020

- CSEA COVID-19 MOU – Approximately \$502,564
 - Includes Nutrition Services, Cleaning, and ETIS staff
 - Through June 14, 2020
- Additional Security Guards – \$120,000 (Encumbered only)
 - Ten additional for all other school sites with no activity
- Supplies for students – \$7,907
- Facilities Revenue Loss – \$43,059
- Auditorium Facilities Use Revenue Loss - \$44,151
- FASO Overtime/COVID-19 work – \$16,725
- FASO Other – \$6,856
- **Subtotal = \$741,262**



Summary of Additional Expenditures

As of May 18, 2020

- Maintaining Nutrition Services = \$10,135
- Cleaning and Disinfecting Facilities = \$89,964
- Personal Protective Equipment = \$23,181
- Distance Learning/Technology = \$3,271,549
- Other = \$741,262
- **Total Cost as of May 7, 2020 = \$4,136,091**

Note: Some expenses have been encumbered but not yet expensed



Funding Opportunities

- SB 117 – Estimated at **\$432,359**
 - Based on \$17.37 per ADA
- FEMA
 - Amount, process and timeline yet to be determined
- CARES Act – Elementary & Secondary School Emergency Relief (ESSER) Fund
 - Process and timeline yet to be determined; estimated amount = **\$5.26 million**
- CARES Act – Rethink K-12 Education Models Grant
 - Amount, process and timeline yet to be determined
- CARES Act– Reimagining Workforce Preparation Grant
 - Amount, process and timeline yet to be determined
- California Tele-connect Fund (CTF)
 - Amount, process and timeline yet to be determined
- Federal Stimulus Funds
 - Amount, process and timeline yet to be determined



Possible Budget Savings

(to be finalized by 6/30/20)

- Transportation - \$157,450 (47 days)
- Utilities - \$55,598 (March/April)
- Copiers
- Paper
- Travel
- Conference
- Substitutes
- And...

QUESTIONS?

FOR MORE BUDGET INFO . . .

WWW.GUSD.NET/BUDGET

WWW.ED100.ORG

CALL OR EMAIL STEPHEN DICKINSON, CFO
 (818) 241-3111 EXT. 1271
 SDICKINSON@GUSD.NET



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 President, California State PTA

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