

# 2020-21 ADOPTED BUDGET

Glendale Unified School District  
Board Of Education Meeting – June 16, 2020  
Information Report No. 1

**Stephen Dickinson, Chief Business & Financial Officer**  
**Karineh Savarani, Director, Financial Services**

**Budget Report No. 7**

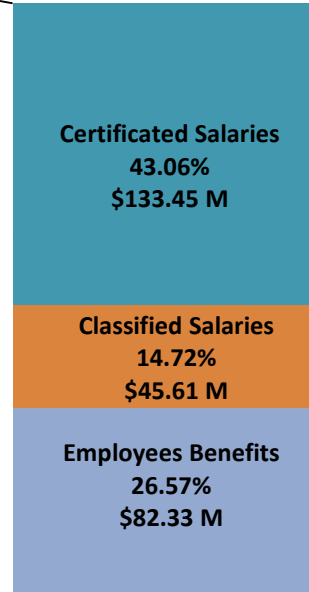
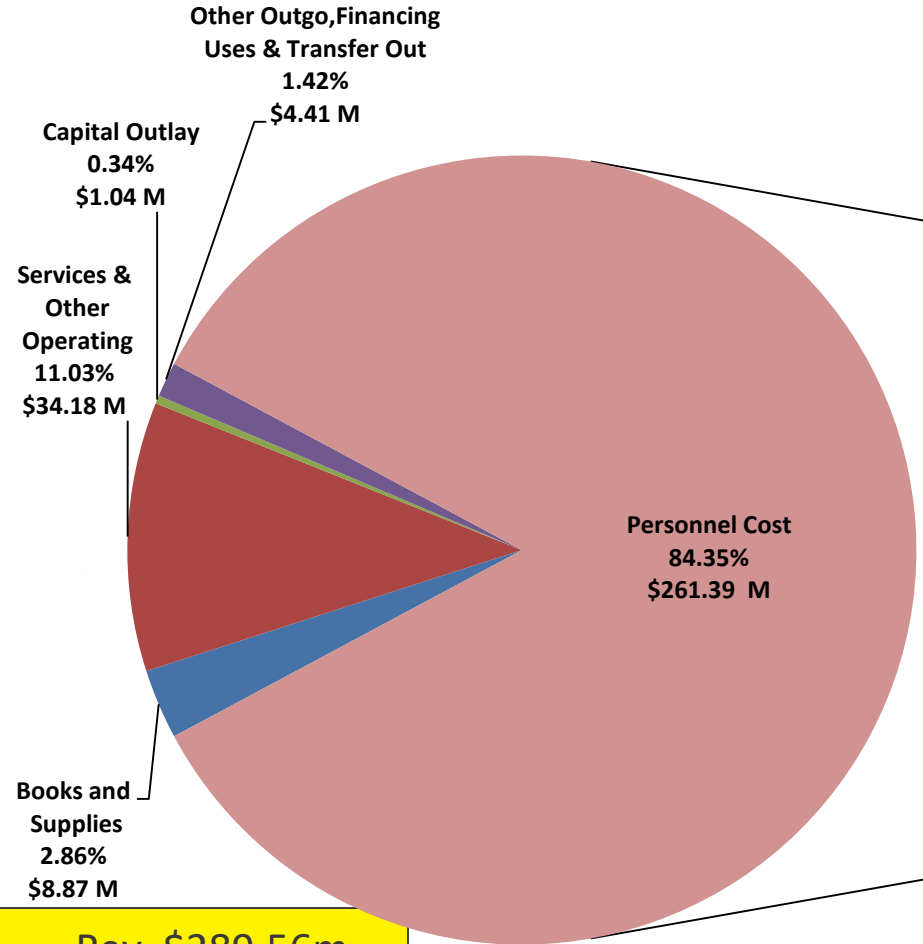
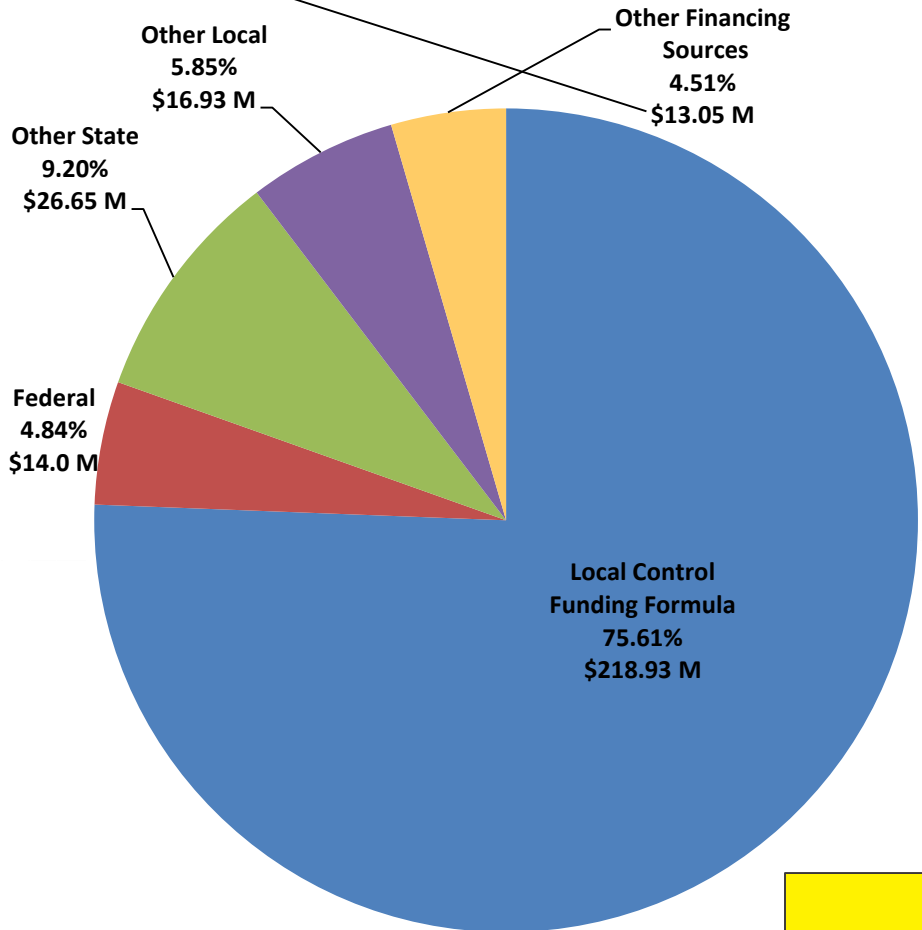




# 2020-21 Adopted Budget

## TOTAL REVENUES & EXPENDITURES – GENERAL FUND

The \$13.05 million is a placeholder in 2020-21 for Fiscal Stabilization Plan



Rev \$289.56m  
 -Exp \$309.89m  
 Current Deficit= (\$20.33)m

Be aware of annual carryover process

Total Revenues \$289,562,752

Total Expenditures \$ 309,888,662



# January Budget vs. May Revision

Item	January Budget	May Revision
2020–21 LCFF Funding Change	+\$1.2 billion	[-\$6.5 billion]
Proposition 98 Minimum Guarantee		
2018–19	\$78.4 billion	\$78.7 billion
2019–20	\$81.6 billion	\$77.4 billion
2020–21	\$84.0 billion	\$70.5 billion
2020–21 Statutory COLA	2.29%	2.31% (Suspended)
One-Time Discretionary Funds	\$0	\$0

**NO Change from Proposed Budget**



# District's 2020-21 Primary Budget Components

- Net LCFF Impact of COLA, UPP, and other factors - decrease of \$20.7 million for 2020-21 & \$1.8 million for 2021-22
- 2020-21 CalSTRS employer rate at 16.15%
- 2020-21 CalPERS employer rate at 20.70%
- 2020-21 unduplicated pupil percentage is 54.35% from 54.68% in 2019-20 (Statewide average is approx. 62%)
- CSEA/GTA/GSMA 2018-19, and 2019-20 salary settlements - \$5.3 million total

**NO Change from Proposed Budget**



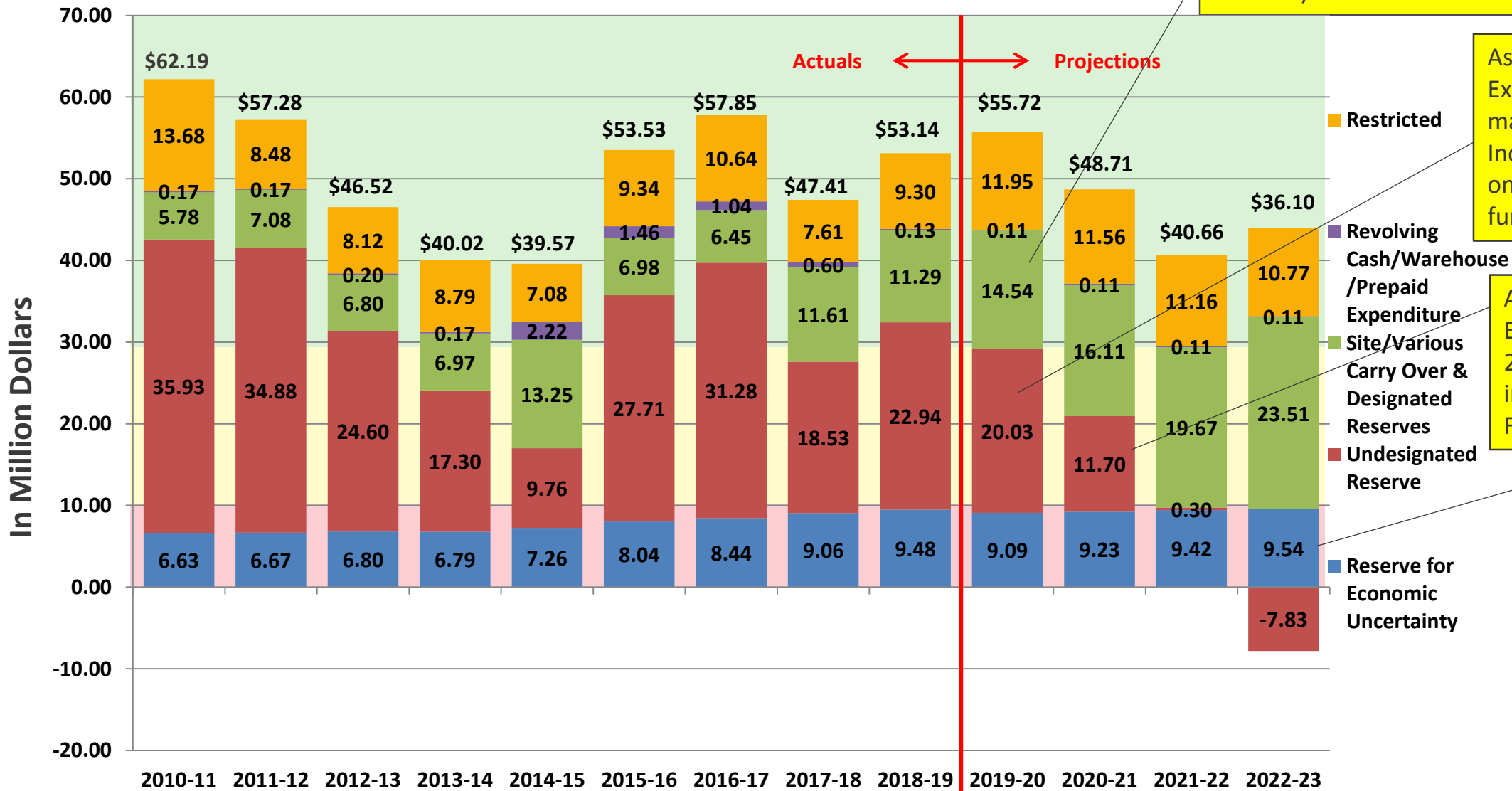
# Multi-Year Budget Projection - Unrestricted General Fund

	2020-21	2021-22	2022-23	2023-24
<b>Total Unrestricted General Fund Balance</b>	<b>\$17,835,601</b>	<b>\$16,905,101</b>	<b>\$22,543,337</b>	<b>\$24,851,527</b>
Revolving Cash & Warehouse	\$109,272	\$109,272	\$109,272	\$109,272
Designated for Economic Uncertainty	\$9,296,660	\$8,269,044	\$8,069,243	\$8,154,513
MAA, Regular Carry-Over, Board Elections	\$3,436,880	\$3,436,880	\$3,436,880	\$3,436,880
LACOE System Charges	\$ 280,000	\$ 0	\$ 0	\$ 0
Projected Future Year 2019-20 Carry-Over	\$4,712,789	\$4,712,789	\$4,712,789	\$4,712,789
<b>Unassigned Ending Balance</b>	<b>\$0</b>	<b>\$377,116</b>	<b>\$6,215,153</b>	<b>\$8,438,073</b>

# 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

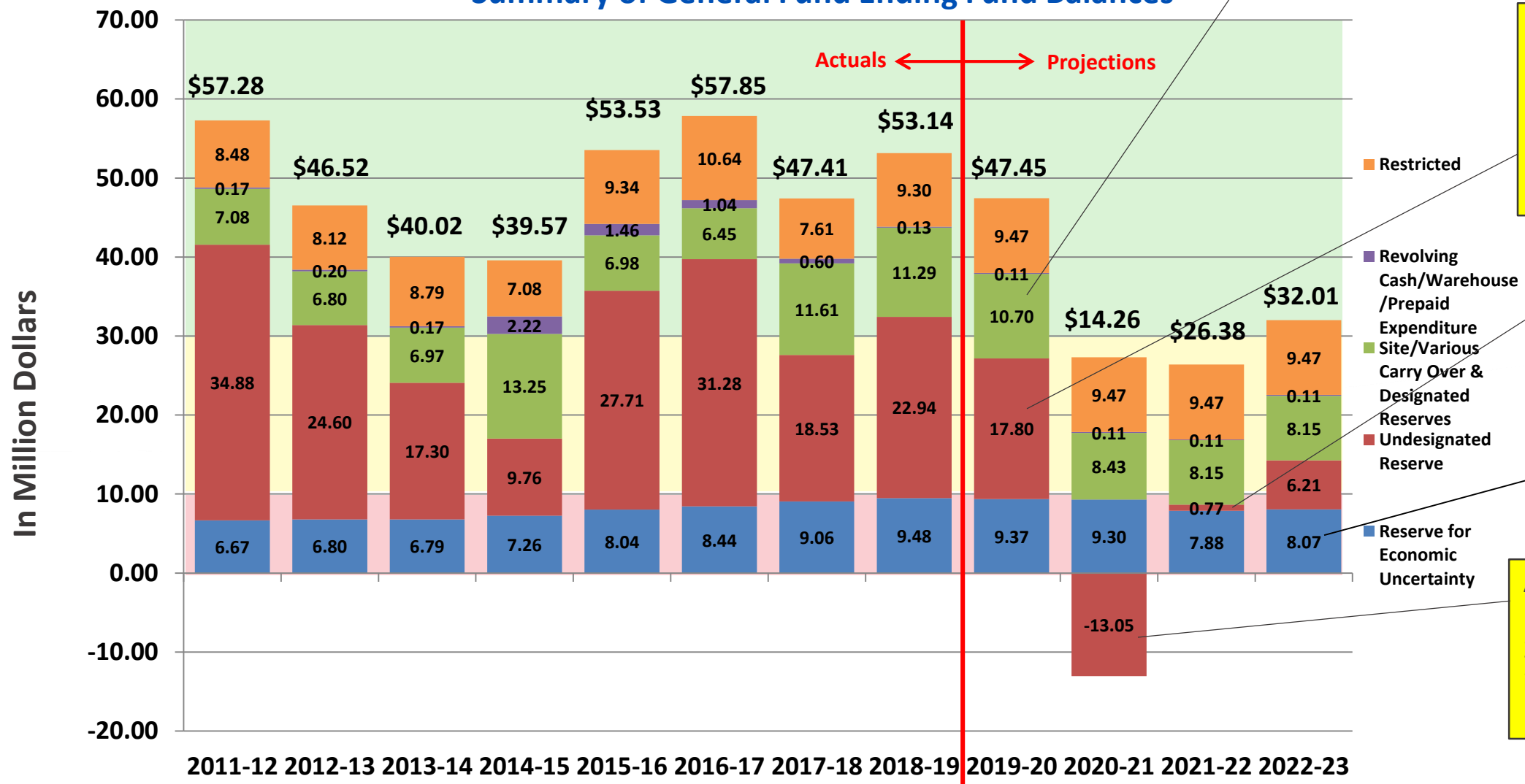
3% REU grows in proportion to total budget

As of 3/04/2020

## Proposed Budget 2020-21 Summary of General Fund Ending Fund Balances

**Designated Reserves:**

- LACOE charges=\$.56
- Carry over/MAA/One Time Disc.=\$10.14



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

Assumes \$53m ongoing expense reductions are made for 2021-22

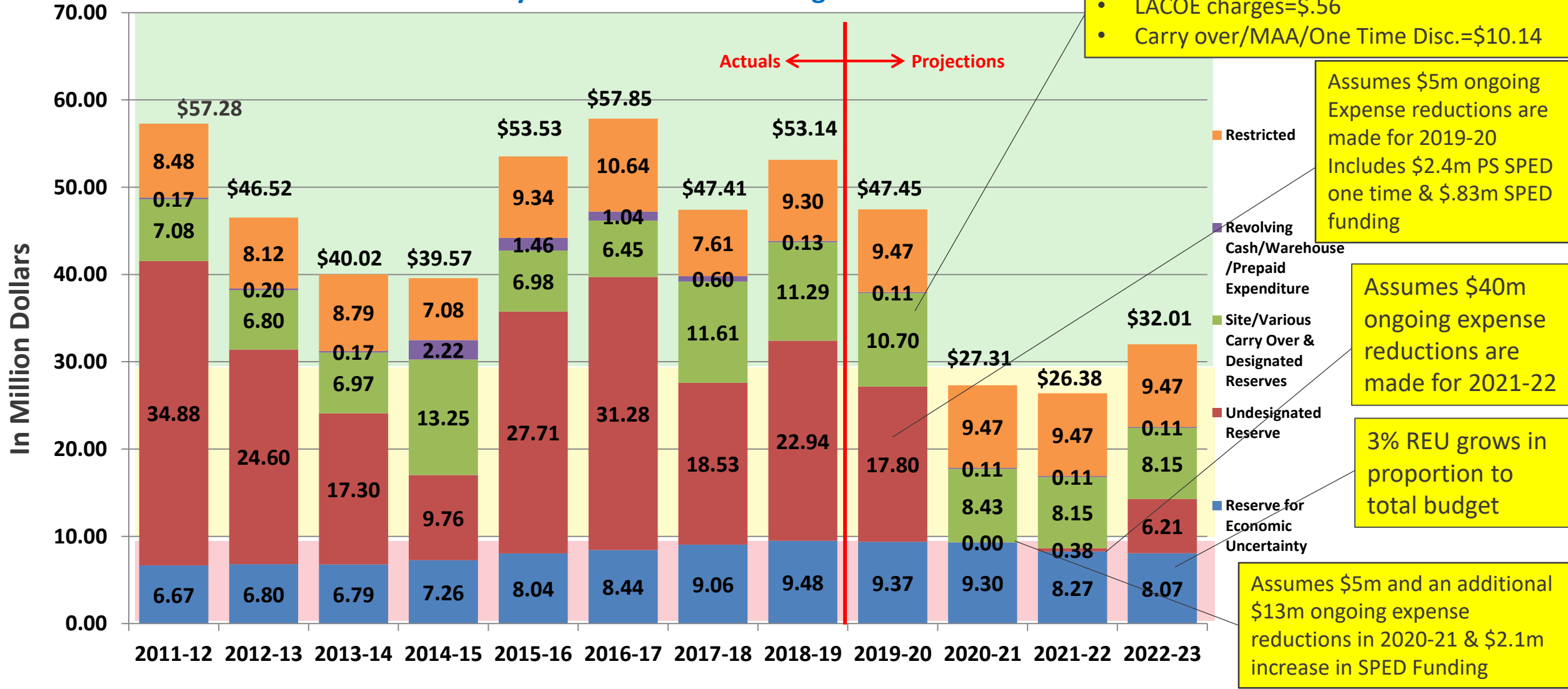
3% REU grows in proportion to total budget

Assumes \$5m ongoing Expense reductions in 2020-21 & \$2.1m increase in SPED Funding



## Adopted Budget 2020-21

### Summary of General Fund Ending Fund Balances







# Fiscal Stabilization Plan

- 2020-21 - Total of \$5.0 Million - Will be Board approved and submitted to LACOE with the 2020-21 Adopted Budget
- 2020-21 - Additional target of \$13.0 Million to avoid negative ending fund balance – Specific plan to be determined
- 2021-22 – Additional target of \$40.0 million to avoid negative ending fund balance – Specific plan to be determined

Combined total of additional \$53.0 million  
needed for 2020-21 and 2021-22



## GLENDALE UNIFIED SCHOOL DISTRICT 2020-21 Fiscal Stabilization Plan

### Pre-COVID-19 = \$5,000,000 Needed

Dept	Program	Est. Savings/Rev
1. LCFF Funding	2020-21 LCFF above current COLA projection of 3% (Jan/May 2020 Gov proposals); 1% = \$2.4m	\$ 0
2. T&L/Funding	Restructure funding source for professional development to LPS Block Grant (Yr2 of 2)	\$ 500,000
3. LCFF Funding	ADA% increase of 0.25% (could begin in 2019-20) – need specific plans and actions; 1% = \$2.4m	\$ 600,000
4. DO Cert Mgmt	Eliminate Exec. Dir. Of Secondary Ed position – vacant	\$ 200,000
5. DO Non-personnel	3% reduction in all non-site department budgets – supplies, consulting services, conferences (Yr2)	\$ 750,000
6. DO Benefits budget	Reduce annual increase in projected H&W rates from +8% (May 2020); 1% = \$300,000	\$ 0
7. Elem	Adjust Teaching positions due to declining enrollment from 2019-20	\$ 900,000
8. Middle	Adjust Teaching positions due to declining enrollment from 2019-20	\$ 200,000
9. HS	Adjust Teaching positions due to declining enrollment from 2019-20	\$ 100,000
10. Classified	Adjust Classified staffing – due to ratios and declining enrollment from 2019-20	\$ 50,000
11. Classified	Adjust Classified staffing – review of all vacancies for possible non-replacement	\$ 100,000
12. Cert Mgmt	Adjust Assistant Principal position due to declining enrollment from 2019-20	\$ 150,000
13. Classified	Apply one-time 2018-19 savings related to sub/benefit costs within certain LCAP Targeted Programs	\$ 1,500,000
		\$ 0
		\$ 0
	AS OF 12/17/19	\$ 0
	<b>Total Needed = \$5,000,000</b>	<b>Current Total = \$ 5,050,000</b>



## GLENDALE UNIFIED SCHOOL DISTRICT 2020-21 Fiscal Stabilization Plan

### Post-COVID-19 = Another \$13,000,000+ needed to avoid negative ending fund balance

Dept	Program	Est. Savings/Rev
1. LCFF Funding	2020-21 LCFF above current COLA projection of -10% (final State budget June-Aug); 1% = \$2.4m	\$ 0
2. LCFF Funding 1x?	Enrollment/ADA hold harmless would suspend our -1% enrollment (final State budget June-Aug)	\$ 2,000,000
3. State/Federal 1x	Possibility of additional unrestricted CARES Act funding (in addition to \$5.26m already expected)	\$ 5,000,000
4. State/Federal 1x	Possibility of unrestricted HEROES Act funding	\$ 3,000,000
5. Ending Balances 1x	Higher than estimated from 2019-20, re-designate and sweeps for 2020-21	\$ 2,000,000
6. Districtwide	Furlough days; every 1 day = \$1,000,000 (must be negotiated)	\$ 1,000,000
7. Management	Adjust Management staffing – if opportunities for non-replacement become available	\$ 0
8. Classified	Adjust Classified staffing – if opportunities for non-replacement become available	\$ 0
9.		\$ 0
10.		\$ 0
11.		\$ 0
12.		\$ 0
13.		\$ 0
		\$ 0
		\$ 0
	AS OF 6/16/20	\$ 0
	<b>Total Needed = \$13,000,000+</b>	<b>Current Total = \$ 13,000,000</b>



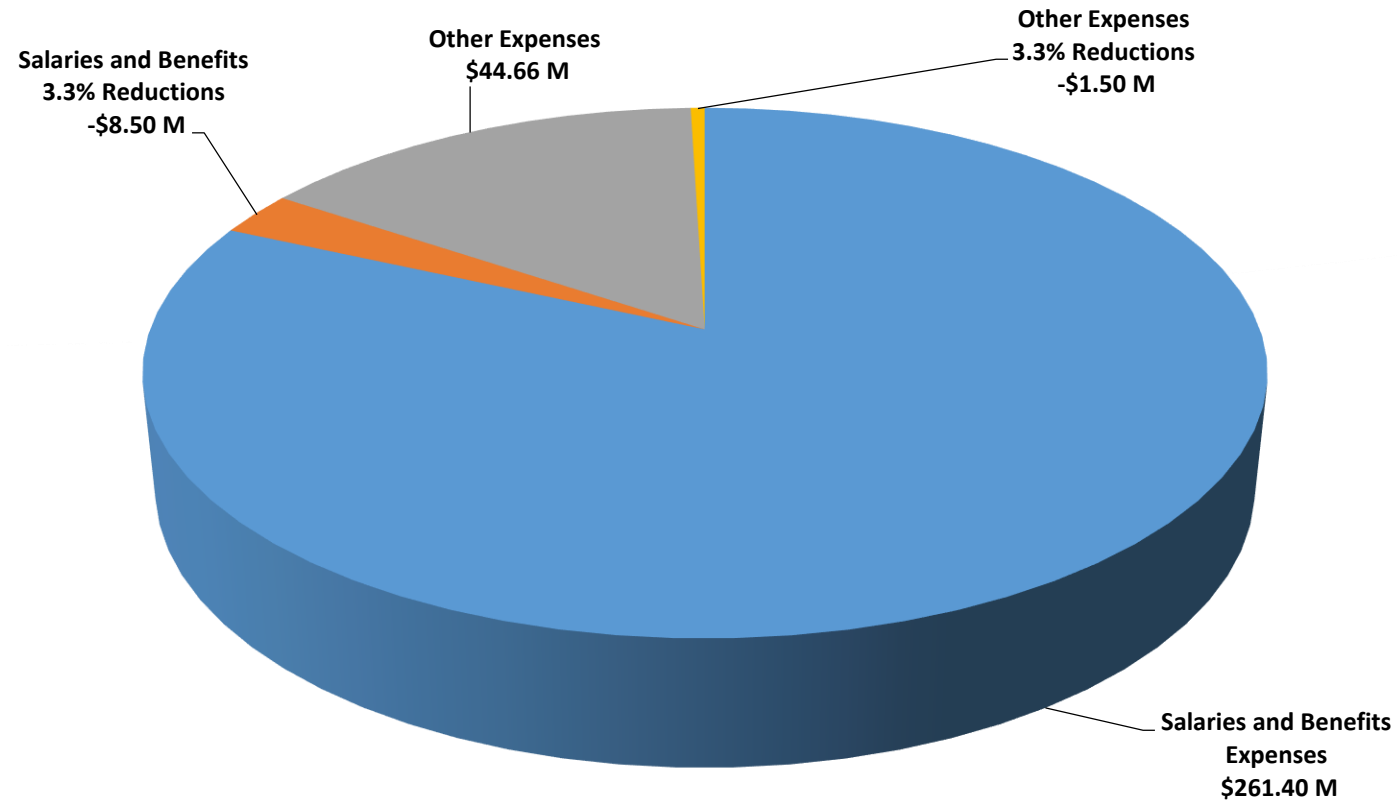
## GLENDALE UNIFIED SCHOOL DISTRICT 2021-22 Fiscal Stabilization Plan

### \$10,000,000+ (Year 1 of multi-year plan to address total estimated ongoing deficit of up to \$53m)

Dept	Program	Est. Savings/Rev
1. LCFF Funding	Increased revenue from “Schools and Communities First” (November 3, 2020)	\$ 0
2. LCFF Funding	2021-22 LCFF above current COLA projection of 0%; 1% = \$2.2m	\$ 0
3. State/Federal	One-time funding that can be used to offset reductions	\$ 0
4. Other	One-time and/or ongoing funding that can be used to offset reductions	\$ 0
5. Non-personnel	6.67% reduction in all non-site department budgets – supplies, consulting services, conferences, etc.	\$ 3,000,000
6. Benefits budget	Reduce annual increase in projected H&W rates from +8% (May 2021); 1% = \$300,000	\$ 0
7. Elem	Adjust Teaching positions due to declining enrollment from 2020-21	\$ 900,000
8. Middle	Adjust Teaching positions due to declining enrollment from 2020-21	\$ 200,000
9. HS	Adjust Teaching positions due to declining enrollment from 2020-21	\$ 100,000
10. Classified	Adjust Classified staffing due to declining enrollment from 2020-21	\$ 720,000
11. Management	Adjust Management staffing due to declining enrollment from 2020-21	\$ 250,000
12. Certificated	TK-3 class size to 26:1 if 2020-21 LCFF per ADA is equal to or below 2019-20	\$ 2,000,000
13. Districtwide	Furlough days; every 1 day = \$1,000,000 (must be negotiated)	\$ 3,000,000
14.		\$ 0
15.		\$ 0
	AS OF 6/16/20	\$ 0
	<b>Total Needed = \$10,000,000+</b>	<b>Current Total = \$ 10,170,000</b>



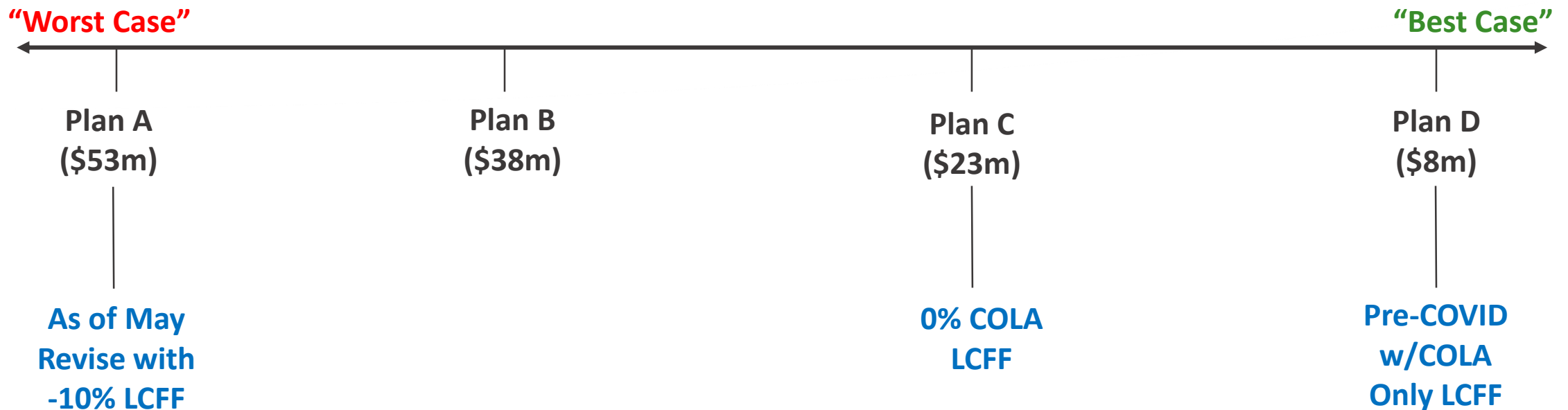
# 2021-21 \$10M Ongoing Framework for 3.3% Reduction





# 2020-21 Adopted Budget – June 16, 2020

## Budget Planning for 2021-22





# 2020-21 Adopted Budget – June 16, 2020 (Cont.)

## ➤ Plan A (\$53m)

### ○ 2020-21

- Focus on Cash Solvency - Undesignated reserve will go negative for multiple years (5 Year plan, \$10 m/year)
  - For LACOE purposes/process – Undesignated reserve will be \$0, based on a additional \$13m placeholder for Fiscal Stabilization Plan

### ○ 2021-22

- Begin Multi-Year Adjustable Plan
- All possible reductions considered – Similar proportions as current budget, with an effort to minimize classroom impact
- All possible flexibility considered
- Labor partners must be involved
- All revenue options must be considered
- Advocacy and information



# 2020-21 Adopted Budget – June 16, 2020 (Cont.)

## ➤ Plan B (\$38m)

### ○ 2020-21

- Focus on Cash Solvency - Undesignated reserve will go negative for multiple years (**4 year plan \$10 m/year**)
  - For LACOE purposes/process – Undesignated reserve will be \$0, based on a additional \$13m placeholder for Fiscal Stabilization Plan

### ○ 2021-22

- Begin Multi-Year Adjustable Plan
- All possible reductions considered – Similar proportions as current budget, with an effort to minimize classroom impact
- All possible flexibility considered
- Labor partners must be involved
- All revenue options must be considered
- Advocacy and information





# 2020-21 Adopted Budget – June 16, 2020 (Cont.)

## ➤ Plan C (\$23m)

### ○ 2020-21

- Focus on Cash Solvency - Undesignated reserve will go negative for multiple years (3 year plan, \$8m/year)
  - For LACOE purposes/process – Undesignated reserve will be \$0, based on a additional \$13m placeholder for Fiscal Stabilization Plan

### ○ 2021-22

- Begin Multi-Year Adjustable Plan
- All possible reductions considered – Similar proportions as current budget, with an effort to minimize classroom impact
- All possible flexibility considered
- Labor partners must be involved
- All revenue options must be considered
- Advocacy and information



# 2020-21 Adopted Budget – June 16, 2020 (Cont.)

## ➤ Plan D (\$8 - \$10M) – COLA Only

- 2020-21
  - Still focus on cash solvency – Undesignated Balance will stay positive
- 2021-22
  - Begin Planning \$8m as we expected to do as of January 2020

# COVID-19

## Summary of Additional Expenditures and Potential Savings

**DRAFT – Updated Weekly**

June 9, 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 June 9, 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 June 9, 2020

- Microfiber Cloths – \$1,356
- Professional Cleaning Services (P.O.) – \$20,328
- Cleaning Supplies – \$17,502
- **Subtotal = \$39,186**



# Personal Protective Equipment

As of June 9, 2020

- Hand sanitizer – \$47,925
- Cloth masks – \$18,813+ (in process)
- Face shields – \$1,868
- No touch thermometers – \$2,500 (in process)
- **Subtotal = \$71,106**



# Distance Learning/Technology

As of June 9, 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
- Certificated Summer School Training 6/12/20 and (possibly 6/11/20) – \$ to be determined by 6/30/20
- **Subtotal = \$3,271,549**





# Other Expenditures

As of June 9, 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
- Backfill of losses at school sites - TBD
- Handwashing stations – 30+ sites – TBD
- Delay in construction projects - TBD
- **Subtotal = \$741,262**



# Summary of Additional Expenditures

As of June 9, 2020

- Maintaining Nutrition Services = \$10,135
- Cleaning and Disinfecting Facilities = \$39,186
- Personal Protective Equipment = \$71,106
- Distance Learning/Technology = \$3,271,549
- Other = \$741,262
- **Total Cost as of June 9, 2020 = \$4,133,238**

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](http://WWW.GUSD.NET/BUDGET)

[WWW.ED100.ORG](http://WWW.ED100.ORG)

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