

2019-20 Unaudited Actuals and 2020-21 Adopted Budget

September 15, 2020

Information Report No. 5

Presented by: Stephen Dickinson

Chief Business and Financial Officer

Budget Report No. 1





2019-20 UNAUDITED ACTUALS

2019-20 Unrestricted General Fund Balance		
Unrestricted General Fund	Audited Actuals 2018-19	Unaudited Actuals 2019-20
Designated for Economic Uncertainty	\$ 9,475,059	\$ 9,665,367
Revolving Cash, Warehouse & Prepaid Expense	126,773	210,012
Reserve for School Site, Program Carry Overs, MAA, & LACOE System Charges	9,576,900	15,366,715
Reserve for One-Time 2017-18 Discretionary Funding	1,712,663	751,851
Unassigned Reserve	22,943,447	19,749,913
Total Unrestricted General Fund Balance	\$ 43,834,842	\$ 45,743,858

BLUE

RED

\$3,193,534 Decrease



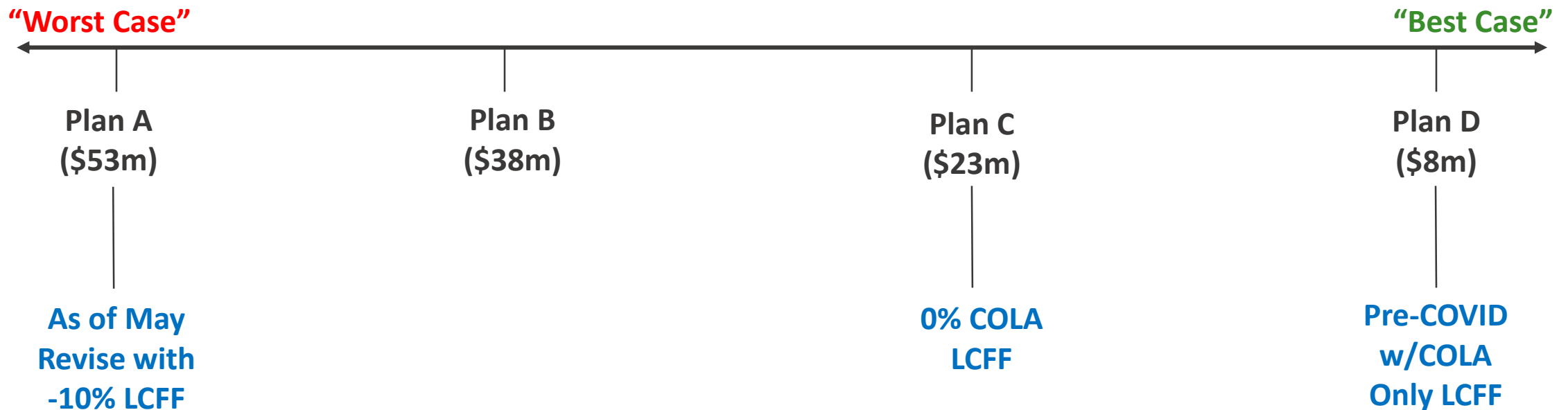
Summary of COVID-19 Expenses & Revenue

- 2019-20 COVID-19 Expense as of August 25, 2020 is \$5.1 million
 - 2020-21 COVID-19 Expense as of September 3, 2020 is \$11.7 million
 - Total COVID-19 Expense as of September 3, 2020 is \$16.8 million
-
- Total One-time CARES Act Funding Estimated at \$21 million
 - ✓ Multiple sources, criteria and spending deadlines – some of which are yet to be determined.



2020-21 Adopted Budget – June 16, 2020

Budget Planning for 2021-22

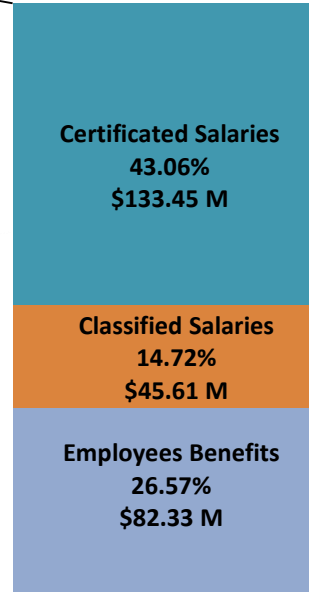
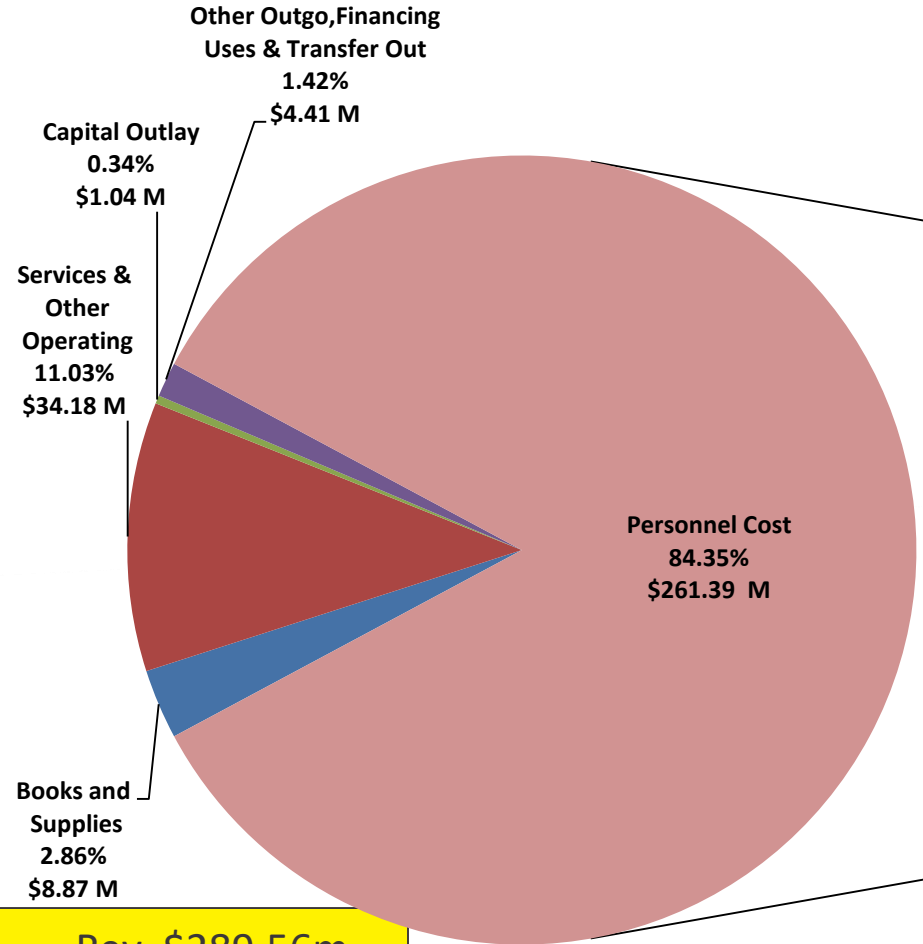
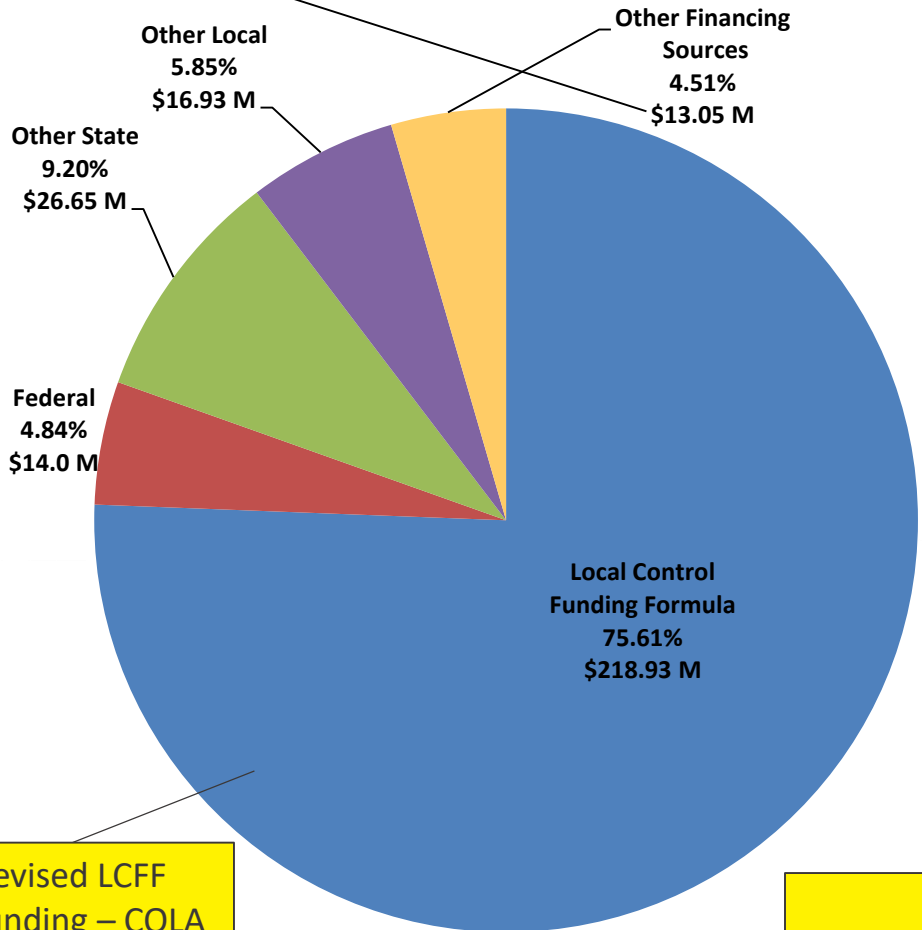




2020-21 Adopted Budget (June 16, 2020)

TOTAL REVENUES & EXPENDITURES – GENERAL FUND

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



Revised LCFF funding – COLA change to 0%

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

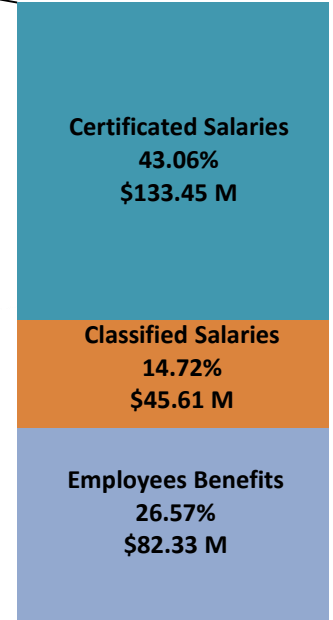
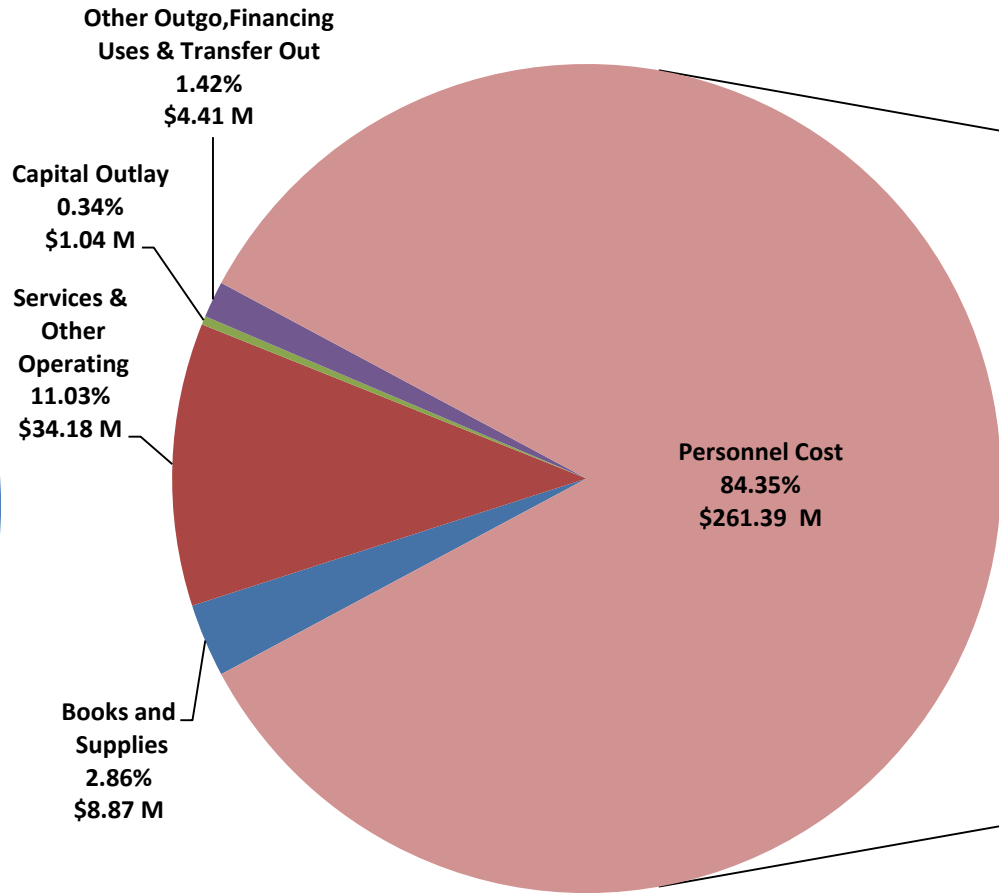
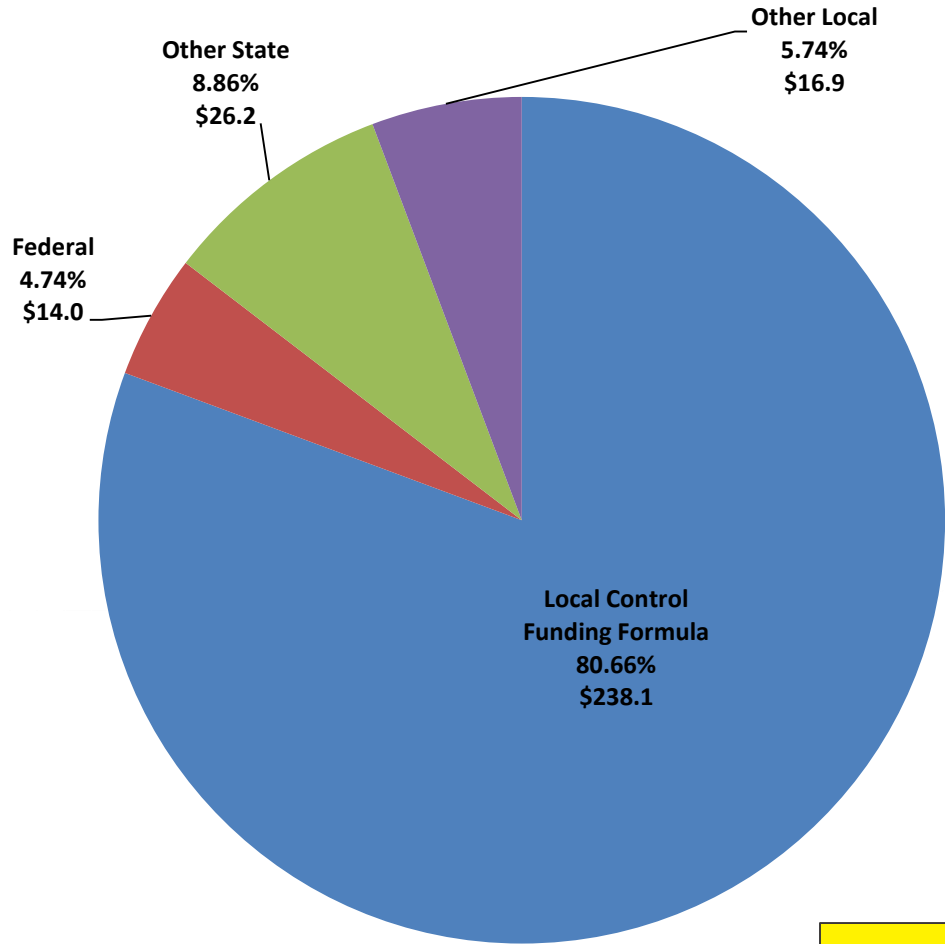
Be aware of annual carryover process

Total Revenues \$289,562,752 Total Expenditures \$ 309,888,662



2020-21 Initial Budget Adjustment

TOTAL REVENUES & EXPENDITURES – GENERAL FUND



Rev \$295.18m
 -Exp \$309.89m
 Current Deficit= (\$14.71)m

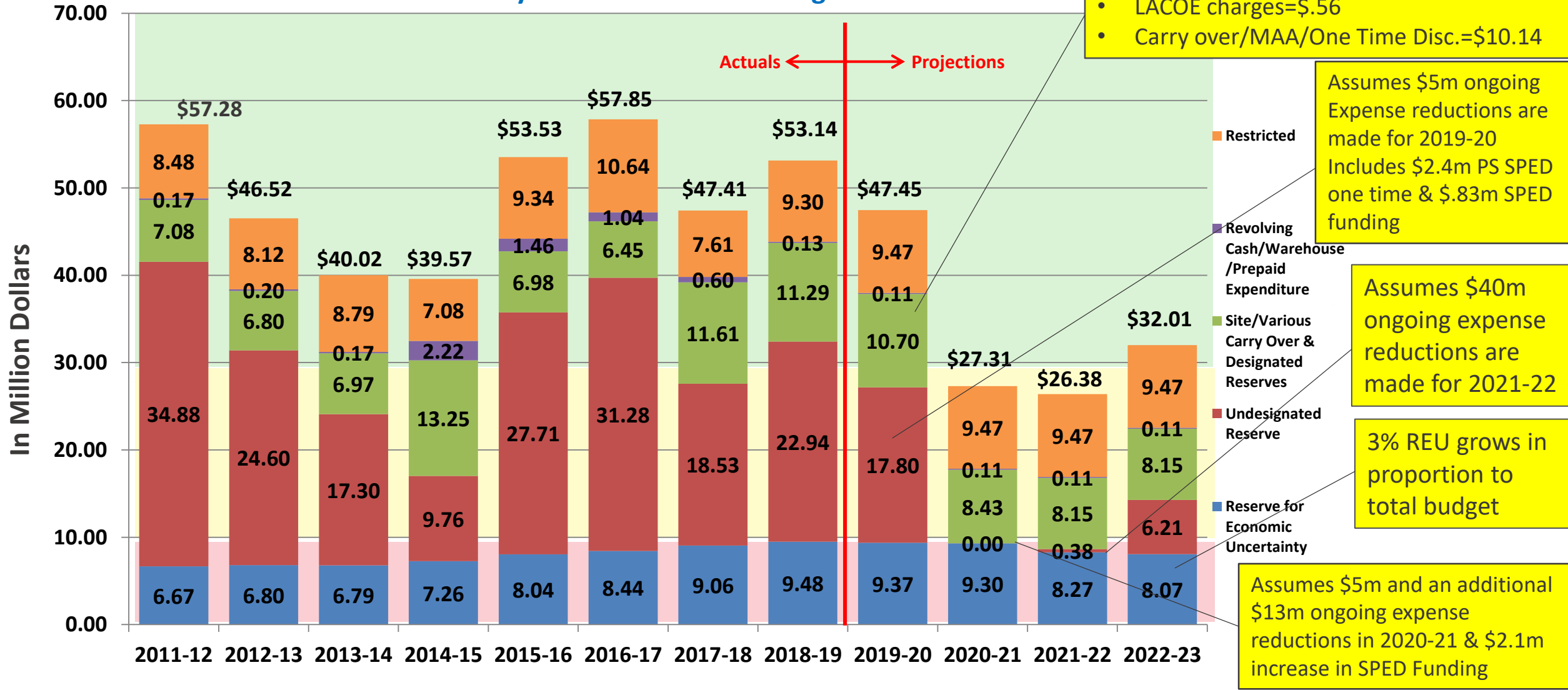
Be aware of annual carryover process

Total Revenues \$295,175,526

Total Expenditures \$ 309,888,662



Adopted Budget 2020-21 (June 16, 2020) 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 \$40m ongoing expense reductions are made for 2021-22

3% REU grows in proportion to total budget

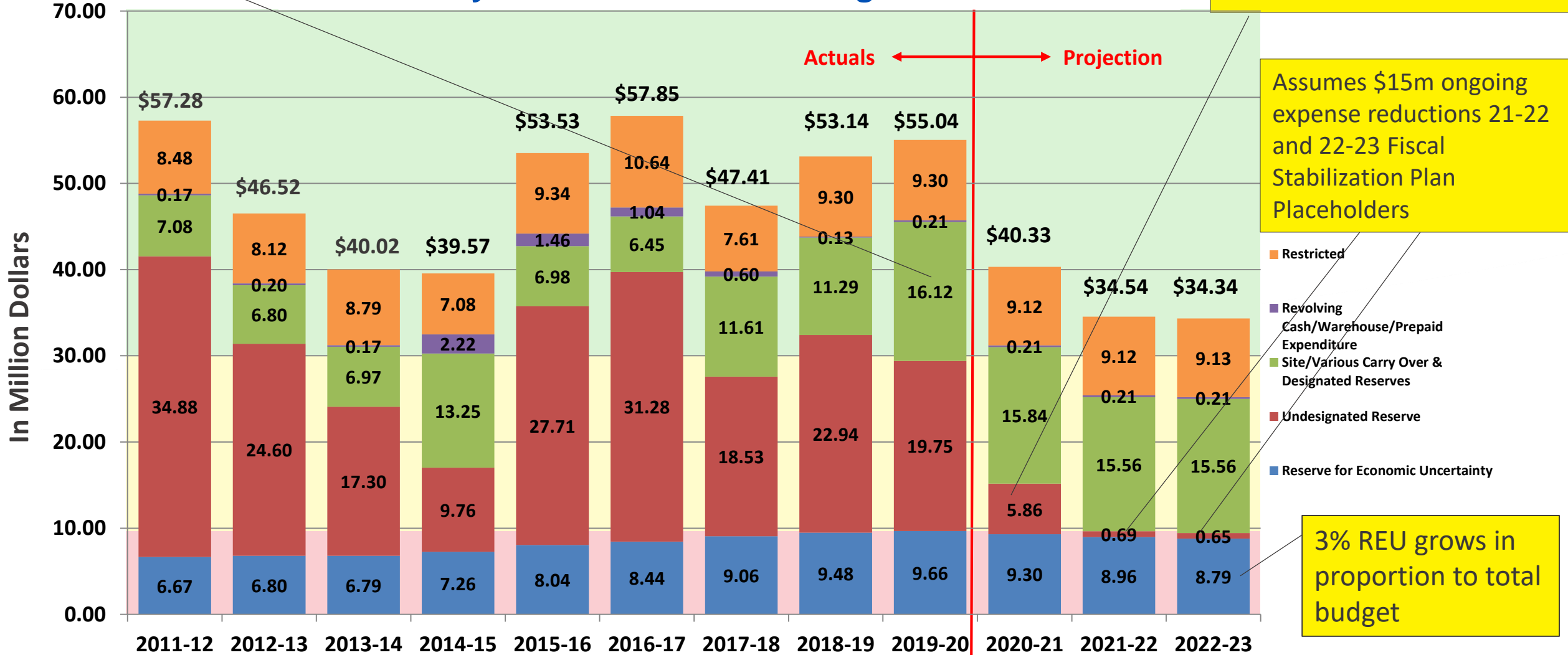
Assumes \$5m and an additional \$13m ongoing expense reductions in 2020-21 & \$2.1m increase in SPED Funding

Designated Reserves:

- LACOE charges= \$.56
- Carry over/MAA =\$14.8
- One Time 17-18 Disc. Fund= \$.75

Assumes \$5m ongoing expense reductions are made for 20-21 and reversal of \$13m Adopted Budget Fiscal Stab. Plan Placeholders

2020-21 Initial Budget Adjustments Summary of General Fund Ending Fund Balances



Assumes \$15m ongoing expense reductions 21-22 and 22-23 Fiscal Stabilization Plan Placeholders

3% REU grows in proportion to total budget

AS of 9/10/2020



DRAFT GLENDALE UNIFIED SCHOOL DISTRICT 2021-22 Fiscal Stabilization Plan
\$12,000,000+ (Year 1 of multi-year plan to address total estimated ongoing deficit of up to \$30m)

Dept	Program	Est. Savings/Rev
1. LCFF Funding	Increased revenue from “Schools and Communities First” (November 3, 2020 ballot initiatives)	\$ 0
2. LCFF Funding	2021-22 LCFF above current COLA projection of 0%; 1% = \$2.2m (Governor’s January Proposal)	\$ 0
3. State/Federal	One-time funding that can be used to offset reductions	\$ 0
4. Other Sources	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	Est. Adjust Teaching positions due to declining enrollment from 2020-21	\$ 900,000
8. Middle	Est. Adjust Teaching positions due to declining enrollment from 2020-21	\$ 200,000
9. HS	Est. 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. TBD	Additional budget reductions yet to be determined	\$ 1,830,000
15.		\$ 0
	AS OF 9/15/20	\$ 0
	Total Needed = \$12,000,000+	Current Total = \$ 12,000,000



2019-20 & 2020-21 Deferrals and the Impact on Cashflow

➤ 2019-20 Deferral

- ✓ June 2020 LCFF deferral of \$17 million paid in July 2020

➤ 2020-21 Deferral

- ✓ February 2021 through June 2021 LCFF

- June 2021 paid in July 2021
- May 2021 paid in August 2021
- April 2021 paid in September 2021
- March 2021 paid in October 2021
- February 2021 paid in November 2021

- ✓ Total Estimated deferral of \$35.1 million

➤ These multiyear deferrals will create a cashflow shortfall

➤ Expect to see a recommendation soon regarding a Tax and Revenue Anticipation Note (TRAN)



Concerns

- Future Funding – Unstable COLA%, UPP, and Enrollment ↑ ↓
- Possibility of mid-year cuts
- Additional Deferrals
- Special Education – Program Needs Increasing
- Projected Negative Unrestricted General Fund Adjusted Balances in future if budget reductions are not made
- Financial Stability Plan for 2020-21 of \$5m, for 2021-22 will likely be between \$12-\$15m, and another \$12-\$15m for 2022-23
- Ongoing Impact of COVID-19 on 2020-21 and future budgets

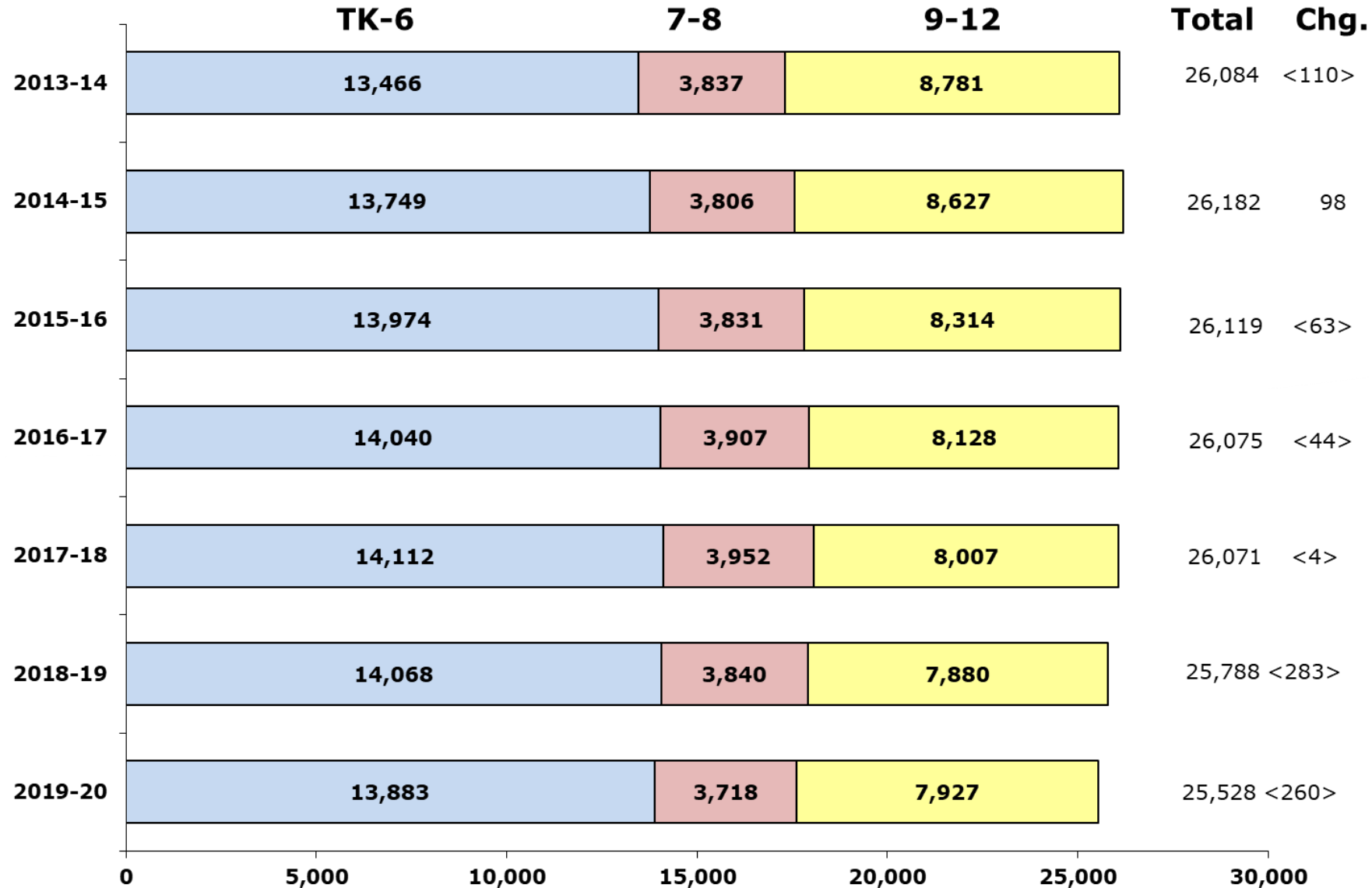


Factors That Could Improve Budget

- Prop 15 on November ballot – estimated to generate over \$12 million per year for GUSD
- Fast and strong economic recovery
- Significant increase in the LCFF



Historical Enrollment (CALPADS Data)





Budget Modes: Deficit – Balanced – Surplus

Surplus/ Additions	8	
	7	
	6	Innovation
	5	Build reserves
	4	Increase employee compensation
	3	Build/expand programs
	2	Reduce class size
	1	LCAP goals
Balanced Budget		
Deficit/ Reductions	1	LCFF revenue increases above projections
	2	Use of one-time funds and/or current reserves
	3	Supplies & Equipment
	4	Contracted services
	5	Administrative and management staffing
	6	Classified staffing (reduce support and service)
	7	Certificated staffing (reduce programs and
	8	increase class size)



Budget Book 2019-20

TABLE OF CONTENTS	PAGES
▪ Local Control Funding Formula(LCFF)	14-19
▪ Value of 1% Salary Change	30
▪ Fringe Benefits and Utility Costs	31-32
▪ Budget Assumptions	57-60
▪ Multi-Year Budget Assumptions	61
▪ Measure-S (Fund 21.1)	79-80
▪ Developer Fees (Fund 25.0)	86-87
▪ Historical Budget Reductions	121



Next Steps

- Continue to review 2021-22 Fiscal Stabilization Plan
- 2020-21 First Interim Report – December 2020
- Governor's January 2021-22 Budget Proposal

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



You can understand California's education system.
 Here's your guide, one clear lesson at a time.

Yes, **it's free**. Go to **Ed100.org**

Ed100 works with the California State PTA to create informed parent leaders.



"Ed100 is a guide no parent should be without. It's an opportunity to understand education in California and a parent's role, which we know is crucial to a student's success."

Celia Jaffe
 President, California State PTA

- ✓ Lessons are clearly written in English and **en Español**.
 - ✓ Each one takes about **5 minutes** to complete. Complete them all and earn your certificate as a graduate.
 - ✓ Used in over **1,700** PTA schools. Build a team of **informed** leaders for your school.
 - ✓ Ed100 is **self-paced**. Since it's online, it's available anytime, anywhere. Use it on your phone!
 - ✓ Each quiz you complete earns a **ticket** in the next drawing.
 - ✓ Earn respect for your school's team on the Ed100 **leaderboard**.
 - ✓ You could **win \$1,000** for your PTA unit!*
- (*At least two participants required. Invite a friend!)

Win \$1,000 for our PTA? Let's DO this!

COVID-19 (2019-20)

Summary of Additional Expenditures and Potential Savings (Operational/Discretionary)

June 30, 2020





Categories of Additional Expenses

- Operational Costs
- Discretionary Costs



Operational Costs – Nutrition Services

As of June 30, 2020

- Pop-up Canopy – \$1,323
- Banners – \$3,804
- Plastic bags – \$2,748
- Waste disposal – \$1,082
- Ponchos – \$659
- Supply – \$519
- Food cost - \$239

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

- **Subtotal = \$10,374**



As of June 30, 2020

Operational Costs – Cont.

- Microfiber Cloths – \$1,356
- Professional Cleaning Services (P.O.) – \$20,328
- Cleaning Supplies – \$29,870
- Hand sanitizer – \$48,225 (in process)
- Masks – \$73,105+ (in process)
- Face shields – \$8,483 (in process)
- No touch thermometers – \$2,500 (in process)
- Towel Dispensers – \$6,119
- Face Respirator - \$496
- **Subtotal = \$190,482**



As of June 30, 2020

Discretionary Costs

- 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
- Zoom Video Conference Licenses – \$3,712
- Storage Bags for hotspots – \$295
- FLAG Program – Substitute Cost – \$ to be determined
- Summer School – \$ to be determined
- Certificated Summer School Training 6/12/20 and (possibly 6/11/20) – \$ to be determined
- **Subtotal = \$3,275,556**



As of June 30, 2020

Discretionary Costs – Cont.

- 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 – \$18,338
- FASO 3M Hazard Doct – \$53
- COVID-19 Signs – \$127
- EEELP Refunds – \$ to be determined
- Clark Bus Fee Refund – \$ to be determined
- Backfill of losses at school sites - \$85,602 (GHS-ASB)
- Delay in Construction Projects – \$403,766
- COVID-19 Achievement Gap Diagnostic Assessment - \$487,000~
- **Subtotal = \$1,712,567**



Summary of Additional Expenditures

- Operational Costs – \$200,856
- Discretionary Costs – \$4,988,123
- Total Cost as of June 30, 2020 = \$5,188,979



Funding Opportunities

- SB 117 – Estimated at **\$432,359**
 - Based on \$17.37 per ADA
- CARES Act – Elementary & Secondary School Emergency Relief (ESSER) Fund
 - Process and timeline yet to be determined; estimated amount = **\$5.26 million**
- CARES Act – Learning Loss Mitigation Based on Students with Disabilities (SWDs)
- CARES Act – Learning Loss Mitigation Based on Supplemental and Concentration Grants
- CARES Act – Learning Loss Mitigation Based on Local Control Funding Formula (LCFF)
- California Tele-connect Fund (CTF)
 - Amount, process and timeline yet to be determined
- FEMA
 - Amount, process and timeline yet to be determined



Possible Budget Savings

(to be finalized by 6/30/20)

- Transportation - \$157,450 (47 days)
- Utilities - \$442,252 (March/April/May/June)
- Copiers
- Paper
- Travel
- Conference
- Substitutes
- And...

COVID-19 (2020-21)

Summary of Additional Expenditures and Potential Savings
Operational/Discretionary

Updated Weekly

September 3, 2020





Categories of Additional Expenses

- Operational Costs
- Discretionary Costs



As of September 3, 2020

Operational Costs

- Masks – \$395,113+
- Face Shields – \$219,398
- No-Touch Thermometers – \$90,047
- Hand Sanitizers – \$27,342
- Sneeze Guard Signs – \$485
- Custom Signs for COVID-19 – \$270,108
- Handwashing stations – 30+ sites - \$314,628
- Gooseneck (for handwashing stations) – \$271,329
- Zoom Licenses – \$53,481
- T-Mobile Hotspots – \$336,000
- **Subtotal = \$1,977,931**



As of September 3, 2020

Operational Costs

- HD Webcam w/Built in Mic – \$39,359
- Cleaning Supplies – \$189,024
- Distance Learning Software Licenses – \$737,063
- Sneeze Guard – \$303
- Hand Sanitizer Dispenser w/UV Light – \$22,449
- Lease Payment for 1200 Teacher Laptops – \$351,944
- Technology Learning Pods (Salary & Benefits) – \$5,920,763
- Replacement Laptops for Teachers – \$1,500,000~

- Subtotal = \$8,760,905



As of September 3, 2020

Discretionary Costs

- Frosted Soft Loop Bags – \$16,446
- Poster Printing – \$6,240
- Trash Cans – \$17,189
- School Supply Kit – \$45,113
- Mesh Zipper Bags – \$99,093
- Blunt Edge Scissors – \$523
- Air Purifier – \$72,545
- Large/Medium Tuff Tote – \$34,855
- PolyBox Truck/Handi-Mover/Folding Hand Truck – \$24,057
- PE Supply – \$22,618

- **Subtotal = \$338,679**



As of September 3, 2020

Discretionary Costs

- Letter Clipboard – \$98
- Half-Face Respirator/Vapor Filter – \$1,099
- Insulated Food Carrier/Dolly – \$70,442
- Latching Boxes (15 QT) – \$12,535
- City of Glendale/Moving Furniture – \$1,995
- Deposit for Air Purifier – \$66,148
- Walkie/Talkie – \$27,342
- Discretionary Funding for each school (\$20/Student) – \$510,000
- Flag Support Teachers for Split Classes – TBD
- ETIS Distance Learning Support – TBD

- **Subtotal = \$689,659**



Summary of Additional Expenditures

- Operational Costs – \$10,738,836
- Discretionary Costs – \$1,028,338
- Total Cost as of September 3, 2020 = \$11,767,174



Funding Opportunities

- SB 117 – Estimated at **\$432,359**
 - Based on \$17.37 per ADA
- CARES Act – Elementary & Secondary School Emergency Relief (ESSER) Fund
 - Process and timeline yet to be determined; estimated amount = **\$5.26 million**
- CARES Act – Learning Loss Mitigation Based on Students with Disabilities (SWDs)
- CARES Act – Learning Loss Mitigation Based on Supplemental and Concentration Grants
- CARES Act – Learning Loss Mitigation Based on Local Control Funding Formula (LCFF)
- California Tele-connect Fund (CTF)
 - Amount, process and timeline yet to be determined
- FEMA
 - Amount, process and timeline yet to be determined



Possible Budget Savings

- Transportation -
- Utilities -
- 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



You can understand California's education system.
 Here's your guide, one clear lesson at a time.

Yes, **it's free**. Go to **Ed100.org**

Ed100 works with the California State PTA to create informed parent leaders.



"Ed100 is a guide no parent should be without. It's an opportunity to understand education in California and a parent's role, which we know is crucial to a student's success."

Celia Jaffe
 President, California State PTA

- ✓ Lessons are clearly written in English and **en Español**.
 - ✓ Each one takes about **5 minutes** to complete. Complete them all and earn your certificate as a graduate.
 - ✓ Used in over **1,700** PTA schools. Build a team of **informed** leaders for your school.
 - ✓ Ed100 is **self-paced**. Since it's online, it's available anytime, anywhere. Use it on your phone!
 - ✓ Each quiz you complete earns a **ticket** in the next drawing.
 - ✓ Earn respect for your school's team on the Ed100 **leaderboard**.
 - ✓ You could **win \$1,000** for your PTA unit!*
- (*At least two participants required. Invite a friend!)

Win \$1,000 for our PTA? Let's DO this!