

Governor's Proposals and GUSD Budget Update

January 19, 2021

Information Report No. 1

Presented by: Stephen Dickinson

Chief Business and Financial Officer





Agenda

- One-Time Funds
- Local Control Funding Formula
- Other Topics and Proposals
- Cautions – The Governor’s proposals are the first step in the Legislative process. Some proposals require early Legislative action and others may be revised until the final budget is adopted in June. Some proposals may have been based on state revenue information that could still change.

Federal One-Time Funds

- Elementary and Secondary Schools Emergency Relief (ESSER #2)
 - California K-12 = \$6.8 billion
 - GUSD estimate = \$20.9 million
 - Same eligible uses as ESSER #1, plus learning loss, school facilities and indoor air quality improvements

- Governor's Emergency Education Relief (GEER #2)
 - California K-12 = \$4.1 billion
 - Awaiting details on the allocation and eligible use of funds



State One-Time Funds

- Safe Schools for All Grant Proposal – \$2 billion statewide
 - \$337.50 – \$450/ADA base amount
 - GUSD estimate = \$8.43 million – \$11.25 million
 - Eligible use of funds: testing, PPE, ventilation, certificated and classified pay of in-person staffing
 - Focus on elementary school students and students in all grades with disabilities, foster youth and homeless youth
 - Awaiting details on grant requirements, process and timelines
 - Requires early Legislative action



State One-Time Funds . . . continued

- Extended School Year Learning Grants Proposal – \$4.6 billion statewide
 - Interventions to address learning loss, such as an extended school year or summer school
 - Awaiting details on allocation, spending requirements, etc.
 - Focus on students from low-income families, English language learners, youth in foster care and homeless youth



State One-Time Funds . . . continued

- Educator Investments Proposal – \$540 million statewide
 - Professional learning and teacher effectiveness
 - Support and expansion of existing teacher pipeline programs
- Mental Health Proposal – \$400 million statewide
 - Incentive program to build infrastructure, partnerships and capacity to increase the number of students receiving preventative and early intervention behavioral health services
 - Additional \$25 million statewide to expand partnership grant programs, which funds partnerships between county behavioral health departments and schools



Local Control Funding Formula

- 3.84% Cost Of Living Adjustment (COLA)
 - GUSD estimate = \$8.83 million ongoing funding
 - Cumulative for 2020-21 and 2021-22; begins 2021-22
 - This ongoing funding increase can be used to offset a portion of the ongoing reductions currently approved in the 2021-22 fiscal stabilization plan; caution not to spend funds twice



Other Topics and Proposals

- Buy down of approximately two-thirds of the planned cash deferrals
 - GUSD will continue its plan for a tax and revenue anticipation note (TRAN) in case this proposal changes
 - Caution – The 3.84% COLA could be reduced to fund the complete buy down of the deferrals
- Reductions to the STRS and PERS employer rates – awaiting more details
- No extension of the ADA hold harmless – In 2022-23 GUSD will feel the revenue loss from the enrollment declines from 2020-21 and 2021-22 combined



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 Prop 15 (11/3/20 ballot; est revenue would start 2022-23)	\$ 0
2. LCFF Funding	2021-22 LCFF above current COLA projection of 0%; 1% = \$2.3m (Gov's January Proposal = 3.84%)	\$ 8,830,000
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. Elementary	Adjust Teaching FTE by approx. 30 due to enrollment: 2020-21 (-2.3%) and est. for 2021-22 (-1.5%)	\$ 3,000,000
8. Middle School	Adjust Teaching FTE by approx. 3 due to enrollment: 2020-21 (-2.3%) and est. for 2021-22 (-1.5%)	\$ 300,000
9. High School	Adjust Teaching FTE by approx. 2 due to enrollment: 2020-21 (-2.3%) and est. for 2021-22 (-1.5%)	\$ 200,000
10. Classified	Adjust Classified staffing due to declining enrollment from 2020-21 and est. for 2021-22	\$ 720,000
11. Management	Adjust Management staffing due to declining enrollment from 2020-21 and est. for 2021-22	\$ 250,000
12. Districtwide	TBD – Negotiated budget savings and staffing considerations	\$ 5,000,000
13.		\$ 0
14.	Why go over the \$12m target? Because so much has been in flux this year, our FSP target has been \$12-15m and the estimated 2022-23 target is still very large (up to \$___m).	\$ 0
15.		\$ 0
	AS OF 1/19/20	\$ 0
	Total Needed = \$12,000,000+	Current Total = \$ 13,300,000



DRAFT GLENDALE UNIFIED SCHOOL DISTRICT 2022-23 Fiscal Stabilization Plan

\$20,000,000+ (Year 2 of multi-year plan to address total estimated ongoing deficit of up to \$30m)

Dept	Program	Est. Savings/Rev
1.		\$
2. LCFF Funding	2022-23 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 2022); 1% = \$300,000	\$ 0
7. Elementary	Adjust Teaching FTE due to declining enrollment from 2021-22 (-?%) and est. for 2022-23 (-?%)	\$ 2,200,000
8. Middle School	Adjust Teaching FTE due to declining enrollment from 2021-22 (-?%) and est. for 2022-23 (-?%)	\$ 600,000
9. High School	Adjust Teaching FTE due to declining enrollment from 2021-22 (-?%) and est. for 2022-23 (-?%)	\$ 400,000
10. Classified	Adjust Classified staffing due to declining enrollment from 2021-22 and est. for 2022-23	\$ 720,000
11. Management	Adjust Management staffing due to declining enrollment from 2021-22 and est. for 2022-23	\$ 250,000
12. Districtwide	TBD – Negotiated budget savings and staffing considerations	\$ 5,000,000
13. Districtwide	TBD – Additional budget reductions needed	\$ 7,830,000
14.		\$ 0
15.		\$ 0
	AS OF 12/15/20	\$ 0
	Total Needed = \$20,000,000+	Current Total = \$ 20,000,000



Next Steps

- January thru March 2021 – Continue taking responsible actions to meet the fiscal stabilization plan, with adjustments based on new information from January Governor’s 2021-22 Budget Proposal and the May Revise
- Preliminary review of the 2022-23 Fiscal Stabilization Plan (FSP)
- Continue to analyze and monitor the Governor’s proposals
- Second Interim Report at the March 9, 2021 Board meeting

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!