

Budget Updates

May 18, 2021 Board Meeting

Stephen Dickinson, Chief Business and Financial Officer



Excelling Together with Endless Pathways for Success!



Summary – COVID-19 One-Time Funds (As of March 2021)

- | | |
|--|----------------------|
| ➤ Federal - ESSER I (spend by 9/22), CRF, GEER, LLM | \$21,051,043 |
| ➤ Federal - ESSER II (spend by 9/23) | \$20,769,978 |
| ➤ Federal - ESSER III (spend by 9/24) | \$47,152,962 |
| ➤ State SB 117 | \$432,359 |
| ➤ State AB86 - Re-Opening/In-Person (spend by 8/22) | \$7,804,968 |
| ➤ State AB86 - Expanded Learning Opportunity (spend by 8/22) | <u>\$17,626,747</u> |
| ➤ TOTAL | \$114,838,057 |
| ➤ Spend from most restrictive/shortest timeline first | |



Summary – COVID-19 Expenditures/Encumbered To Date (As of April 2021)

“Stuff”

➤ PPE, cleaning supplies, plexiglass, hand washing stations, MERV 13 filters, portable HEPA air purifiers, signage, testing, desk shields and more	\$6,200,000
➤ Student chromebooks, teacher laptops, wifi hotspots, distance learning software, webcams, headphones, microphones, monitors, standing desks and more	\$14,300,000
➤ Site discretionary funds @ \$20/student (Fall 2020)	\$500,000
➤ Rental of outdoor tents and storage units	\$229,000
➤ GHS pool project delay costs reimbursed back to Measure S	<u>\$404,000</u>
➤ “Stuff” Subtotal	\$21,633,000

“Staff”

➤ Staffing of Tech Learning Pods and Facilitated Learning Centers	\$10,400,000
➤ Staff time redirected to prepare for distance learning	\$730,000
➤ Increased security guard services	\$372,000
➤ Teacher professional development	\$422,000
➤ GSMA – Principal planning time	\$150,000
➤ Memos of Understanding with GTA and CSEA	\$7,900,000
➤ Expanded Learning Opportunity (ELO) Grant – plan approved on 6/1/21	<u>\$17,626,747</u>
➤ “Staff” Subtotal	\$37,600,747
➤ CURRENT TOTAL	\$59,233,747



Possible Future COVID-19 Expenditures for the remaining \$55,600,000

“Stuff”

1. Continued PPE, cleaning supplies, MERV 13 filters, portable HEPA air purifiers, signage, testing and more	\$1,000,000
2. Continued technology enhancements and sustaining student chromebooks and teacher laptops	\$2,000,000
3. Technology infrastructure – bandwidth, wifi, firewalls, system software, data center and more	\$6,000,000
4. Continued rental of all 80 outdoor tents for 2021-22	\$2,400,000
5. HVAC upgrades at PAEC and most urgently needed schools	\$5,000,000
6. Other safety items	\$1,000,000
7. Unemployment insurance rate increase for 2021-22 and 2022-23	\$4,600,000
8. Backfill to Nutrition Services Fund 13 for 2020-21	<u>\$700,000</u>
➤ “Stuff” Subtotal	\$22,700,000

“Staff”

1. Continue student programs from ELO Grant for 2022-23	\$17,600,000
2. All other Elem, MS and HS summer 2021 enrichment programs	\$3,000,000
3. Outside summer camps for 2021	\$2,740,000
4. Add 53 FTE (net 43 FTE) for MS and HS block scheduling – net \$4.3m/yr for 2021-22 and 2022-23 only	\$8,600,000
5. Maintain staffing – previously planned adjustments for declining enrollment (FSP) – 2021-22 only	\$4,120,000
6. Increased custodial staffing cost through 2021-22	<u>\$1,500,000</u>
➤ “Staff” Subtotal	\$37,560,000
➤ ESTIMATED FUTURE TOTAL	\$60,260,000



State Local Control Funding Formula (LCFF)

- 0% Cost Of Living Adjustment (COLA) for 2020-21
- 3.84% **5.07%** COLA for 2021-22 (January **May Revise** proposal)
 - GUSD estimate = \$~~8.5~~ **\$11.22** million ongoing funding
 - This ongoing funding increase is used to offset a portion of the ongoing reductions currently approved in the 2021-22 fiscal stabilization plan; caution not to spend funds twice
 - 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
 - ~~Budget reductions are only being made in alignment with declining enrollment~~



Other Items From the May Revise

- \$20 billion – Re-imagining public school
- Community schools – sports, arts, mental and physical health
- Accelerate learning
- Reduce class size
- Summer school and before/after programs
- Universal meal program
- Universal TK by 2024-25
- Educator workforce programs
- Back in school full-time in-person



Other Items From the May Revise

- Broadband for all (from Federal funds)
- Textbook cost reform
- Special Education funding
- \$2.6 billion of deferrals still remain – 80% paid down
- STRS employer rate goes up from current rate of 16.15% to 16.92%
- PERS employer rate goes up from current rate of 20.70% to 22.91%
- More details and clarification over the coming days and weeks through trailer bills and the legislative process



General Fund Revenue From Governor's May Revise

	2020-21	2021-22	2022-23	2023-24
<u>Revenue</u>				
LCFF Revenue	\$0	\$11.22 M	\$2.2 M	\$3.9 M
COLA %	0%	5.07%	1.28%+	1.61%+
Unduplicated %	53.45%	53.10%	52.59%	52.85%

Designated Reserves:

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

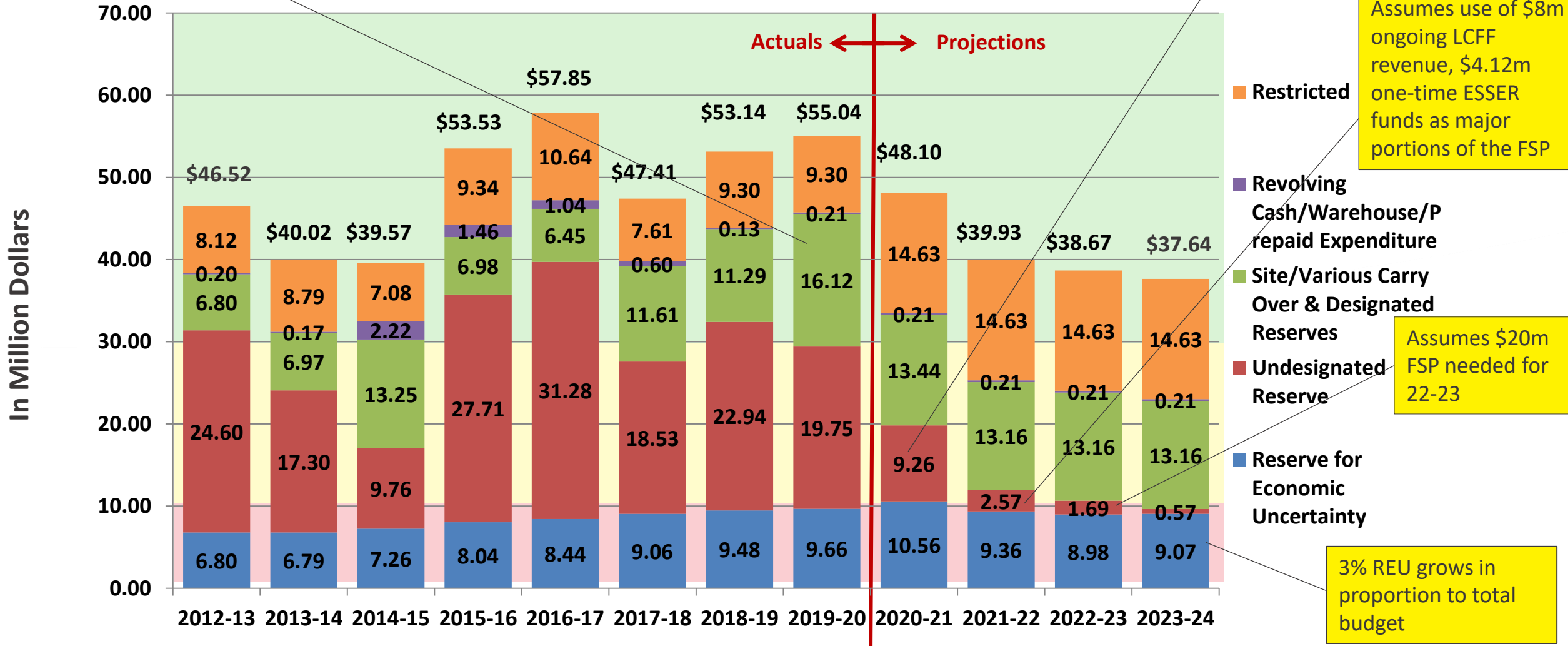
2020-21 Second Interim Summary of General Fund Ending Fund Balances

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

Assumes use of \$8m ongoing LCFF revenue, \$4.12m one-time ESSER funds as major portions of the FSP

Assumes \$20m FSP needed for 22-23

3% REU grows in proportion to total budget



As of 2/26/2021

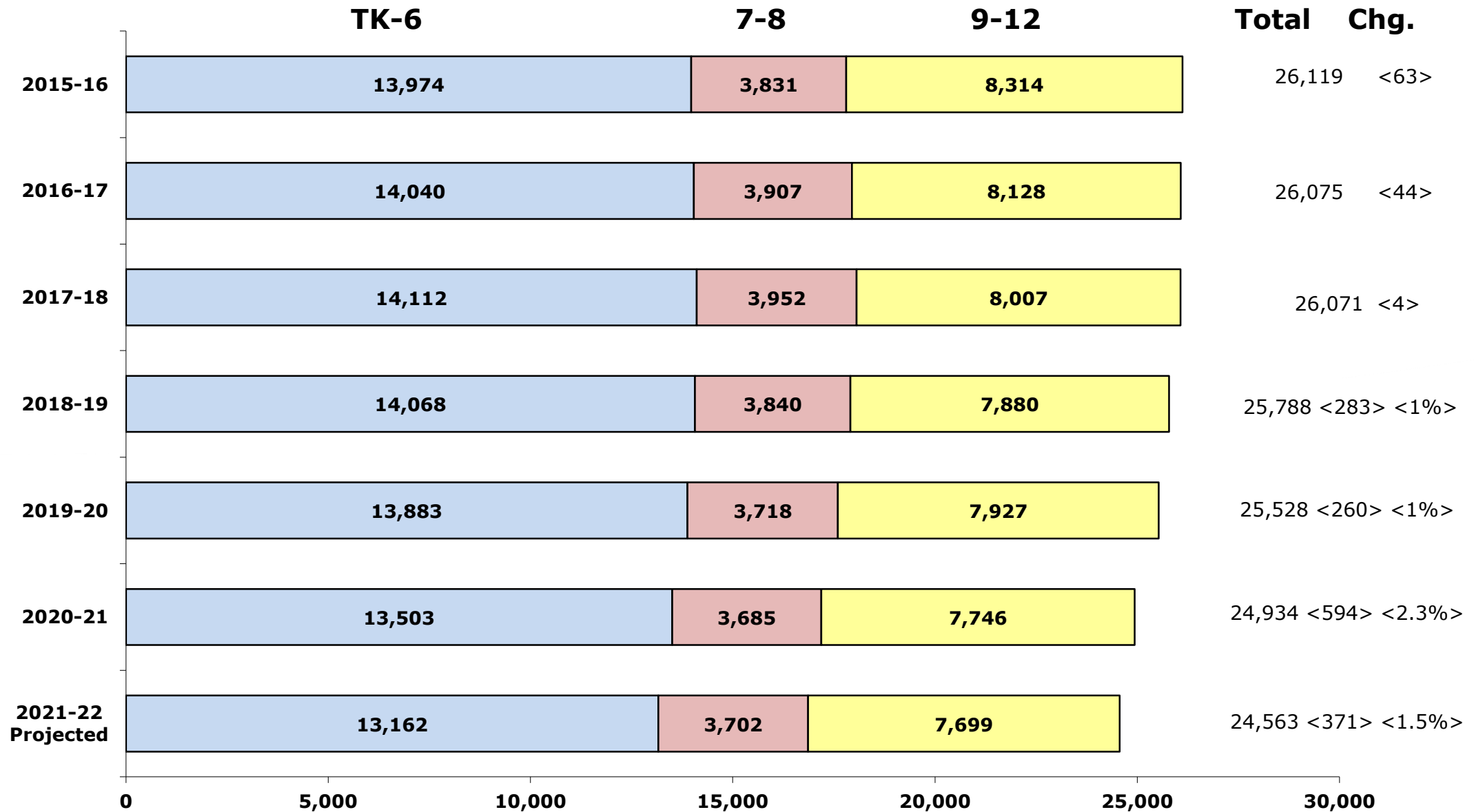


GLENDALE UNIFIED SCHOOL DISTRICT 2021-22 Fiscal Stabilization Plan
\$12,000,000+ (Year 1 of multi-year plan to address total estimated ongoing deficit of up to \$30m)

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% = \$2.2m (Gov's May Revise = 5.07%)	\$ 8,000,000 #1
3. State/Federal	One-time funding that can be used to offset reductions – from ESSER II/III funds	\$ 4,120,000 #2
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 #1
6. Benefits budget	Reduce annual increase in projected H&W rates from +8% to 1% (May 2021); 1% = \$350,000	\$ 2,450,000
7. Elementary	Adjust Teaching FTE by approx. 24 due to enrollment: 2020-21 (-2.3%) and est. for 2021-22 (-1.5%)	\$ 2,400,000 #2
8. Middle School	Adjust Teaching FTE by approx. 6 due to enrollment: 2020-21 (-2.3%) and est. for 2021-22 (-1.5%)	\$ 600,000 #2
9. High School	Adjust Teaching FTE by approx. 4 due to enrollment: 2020-21 (-2.3%) and est. for 2021-22 (-1.5%)	\$ 400,000 #2
10. Classified	Adjust Classified staffing due to declining enrollment from 2020-21 and est. for 2021-22	\$ 720,000 #2
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 #1
13.		\$ 0
14.		\$ 0
15.		\$ 0
	AS OF 5/18/21	\$ 0
	Total Impact Needed (new revenue + expense reductions) = \$12,000,000+ Current Net Total =	\$ 2,700,000



Historical Enrollment (CALPADS Data)





Future Options to Increase Enrollment and/or Revenue

- Fund raising
- Grants
- Parcel tax
- Advertising and promotion
- Quality programs and services for parents and families
 - Full-day Kindergarten
 - Block schedule



Budget Concerns

- Future LCFF Funding – Projected COLAs only meet the base annual budget growth
- Enrollment, ADA and Unduplicated Pupil Percent (UPP)
- Special Education – Program Needs Increasing
- Health care contribution – +8% (+\$2.8m) potential cost increase every year
- Ongoing Impact of COVID-19 on 2021-22 and future budgets
- Cliff effect after COVID-19 funds have been spent
- Potential territory transfer – estimated negative impact of \$2.7m ongoing
- Fiscal Stabilization Plans to maintain positive ending balances for at least two years



Next Steps

- March – May 2021 – Continue to monitor the Legislative actions and make adjustments as needed
- June 2021 – Proposed and adoption of the initial 2021-22 budget
- Continue planning for the 2022-23 Fiscal Stabilization Plan (FSP)

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



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



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**

- ✓ 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!