

# Addressing Long-Term Budget Challenges (Part 10)

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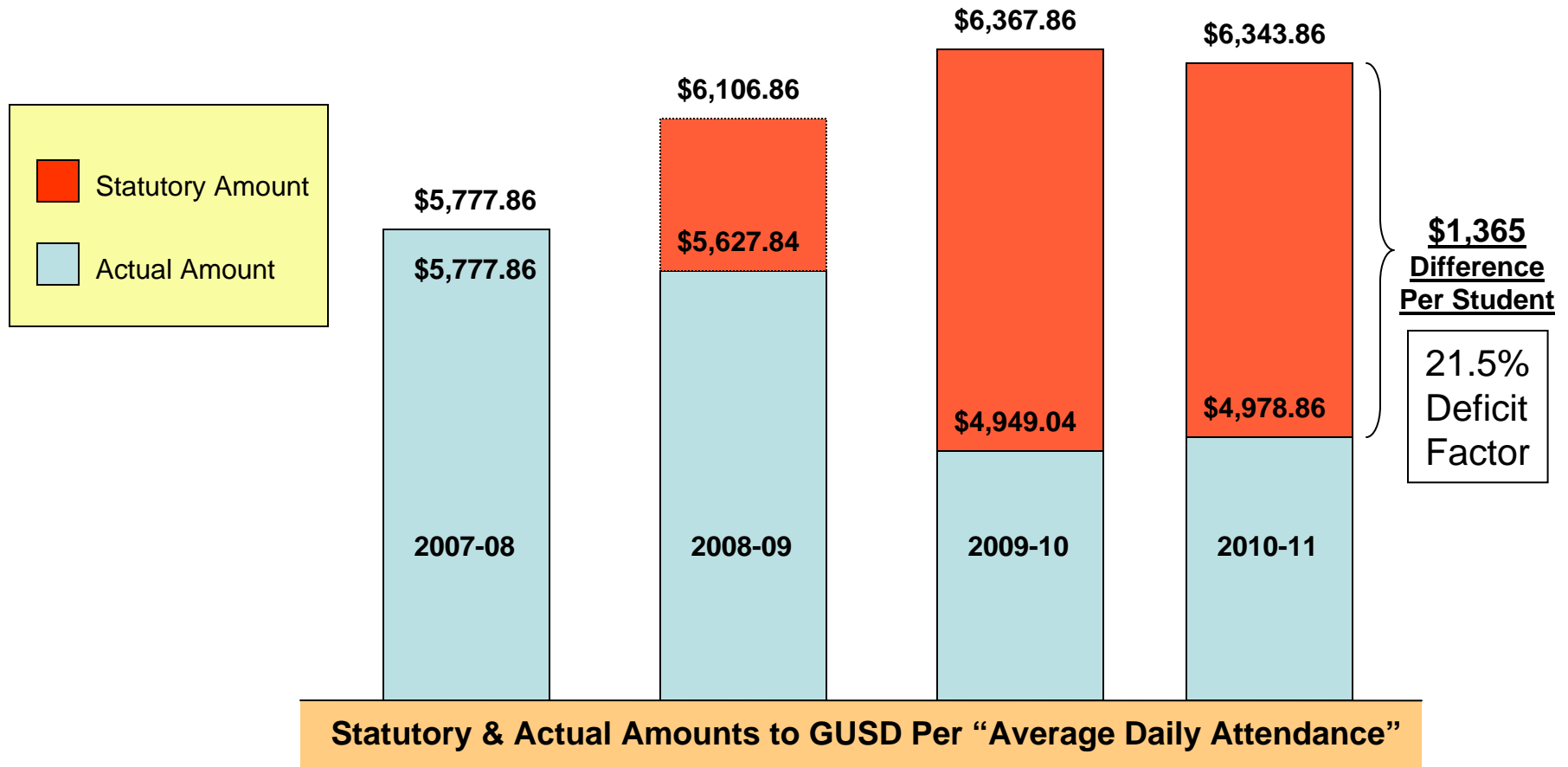
Glendale Unified School District Board Meeting – February 16, 2010

Eva Rae Lueck  
Chief Business and Finance Officer  
Glendale Unified School District  
February 16, 2010

# School Districts are Facing Financial Challenges

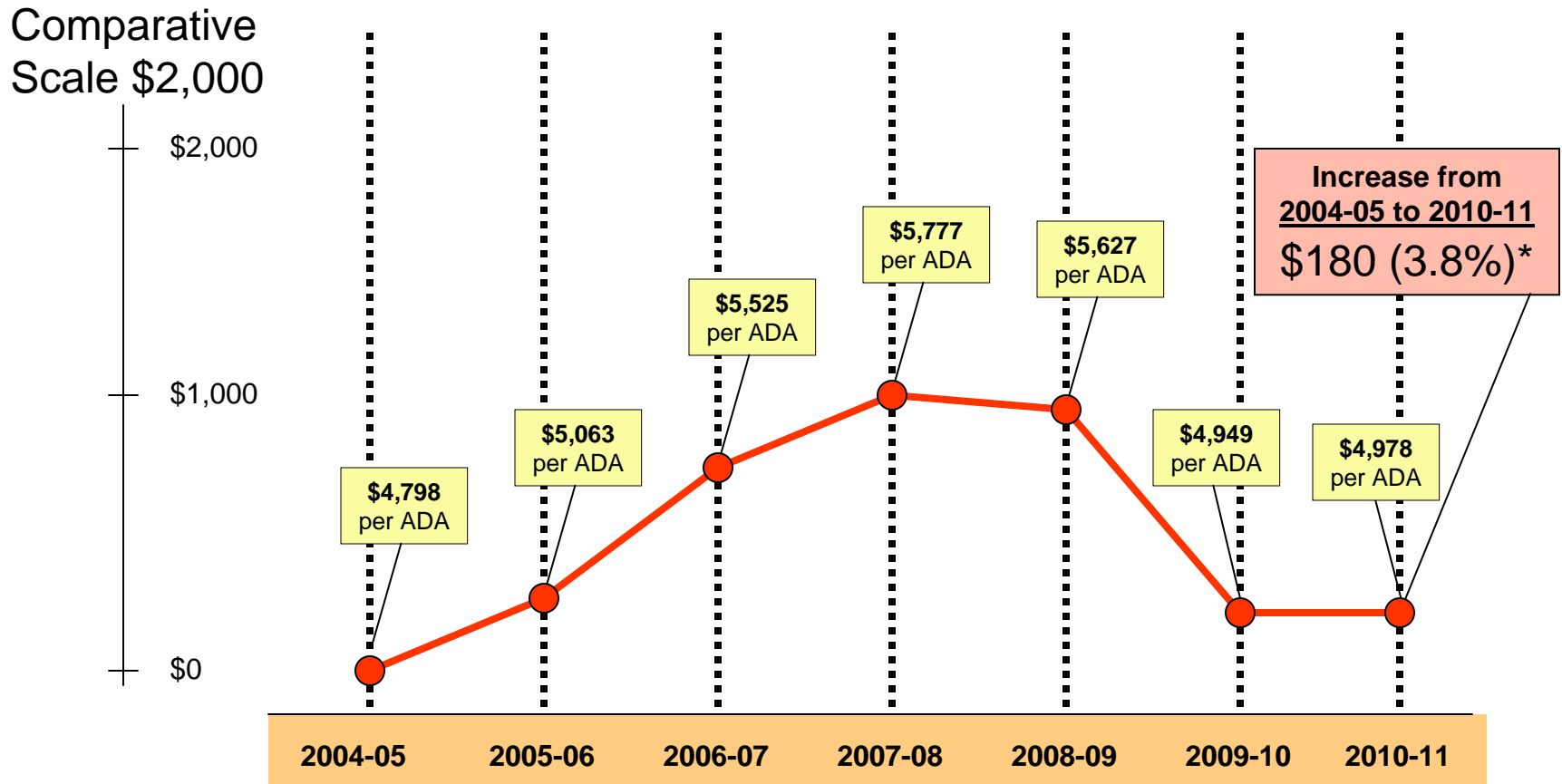
- State funding for schools has dropped to close to 2004-05 levels
  - Since the 2008-09 school year the State has not funded schools at statutory levels
  - The Governor has projected deep reductions in his and may project additional reductions in the May Revise
- District expenditures are at 2009-10 levels
  - Health benefit costs continue to rise
  - Salary increases have been made based on statutorily funded years

# Contrast of Statutory and Actual Amount Paid to District Per “Average Daily Attendance” (ADA)



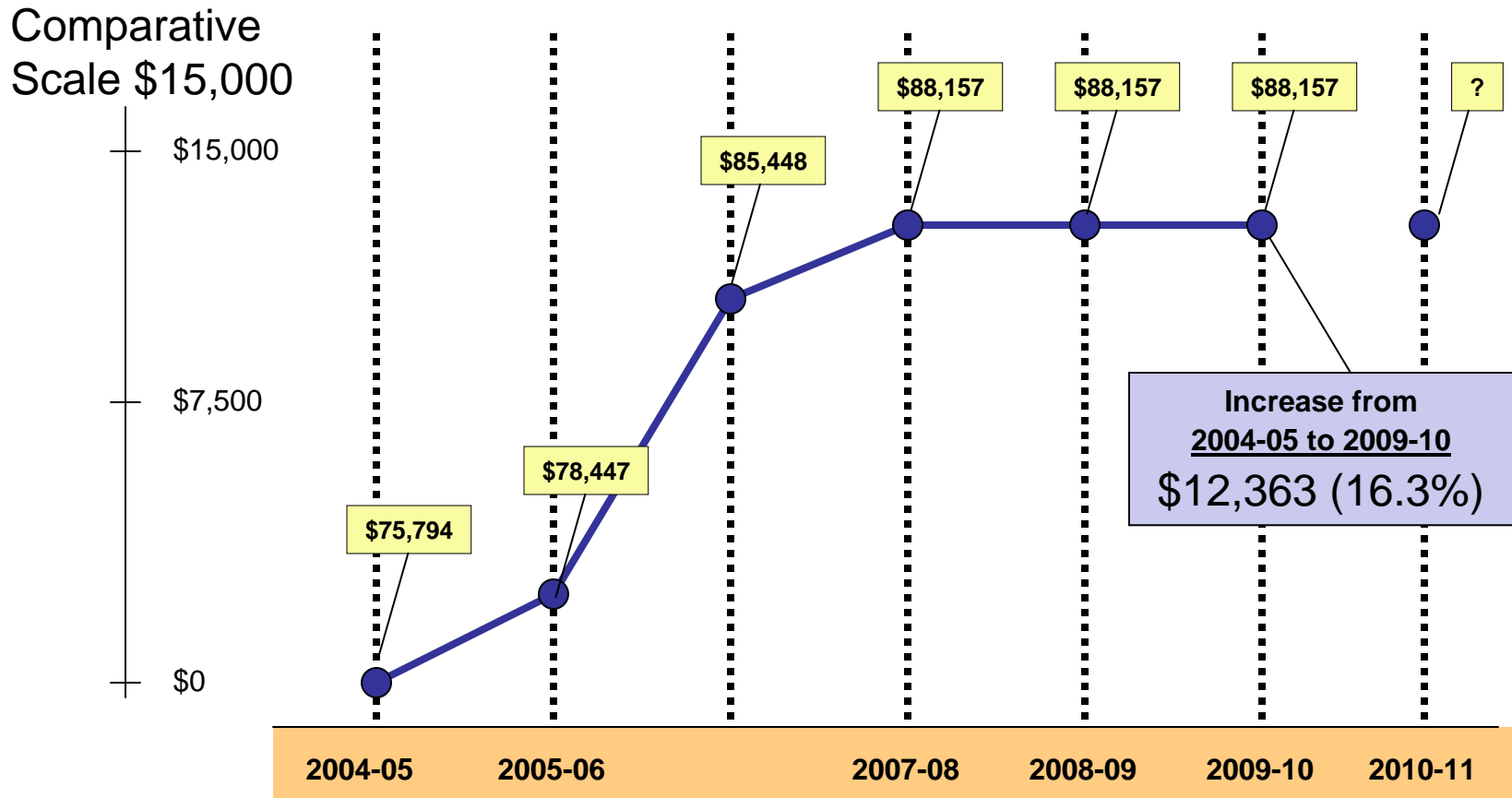
# District Revenue Limit

## *Dollars Paid Per Student Over Time*



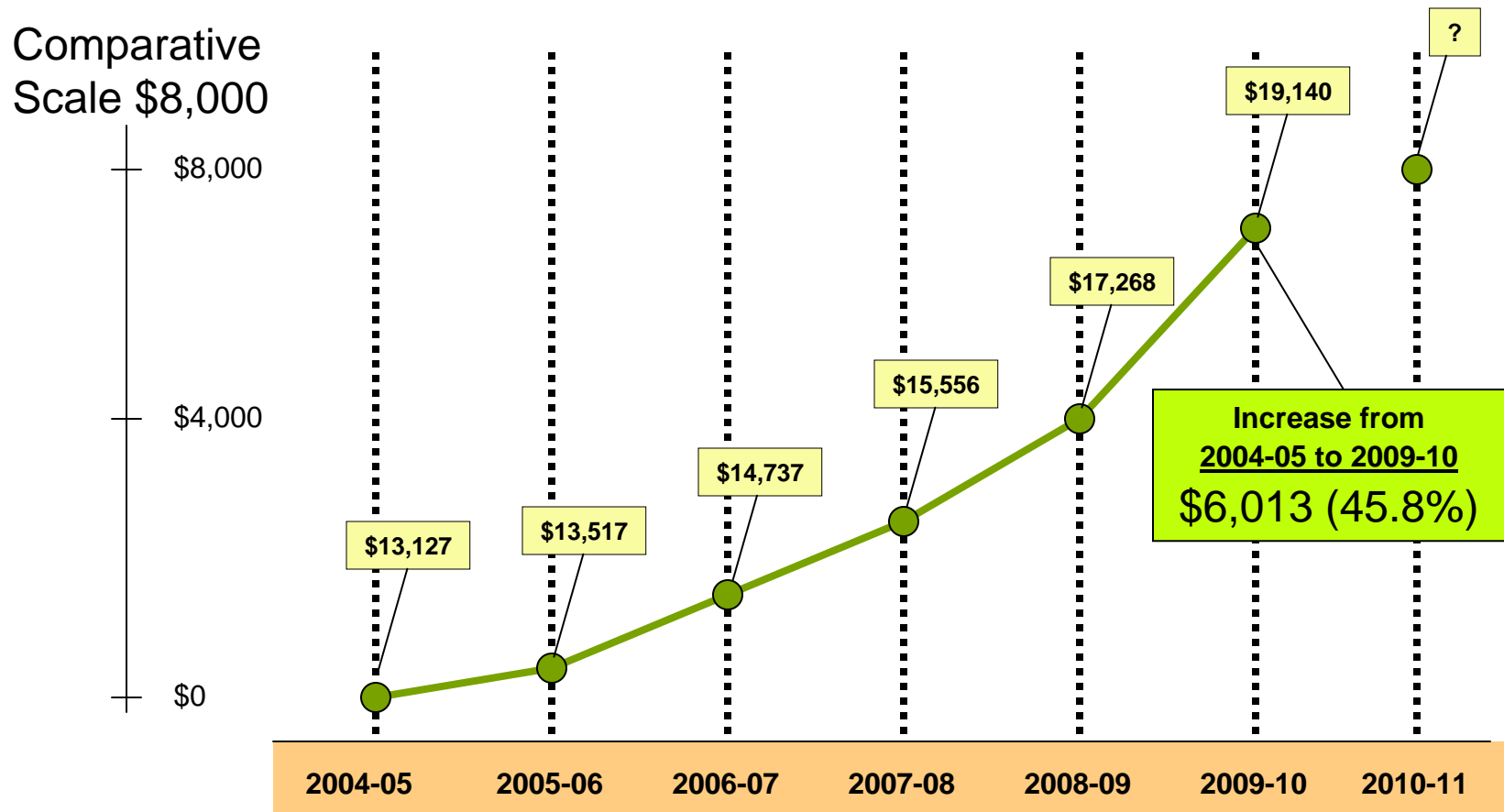
\*Does not address declining enrollment

# Certificated Salary Increases *Top Step Over Time*

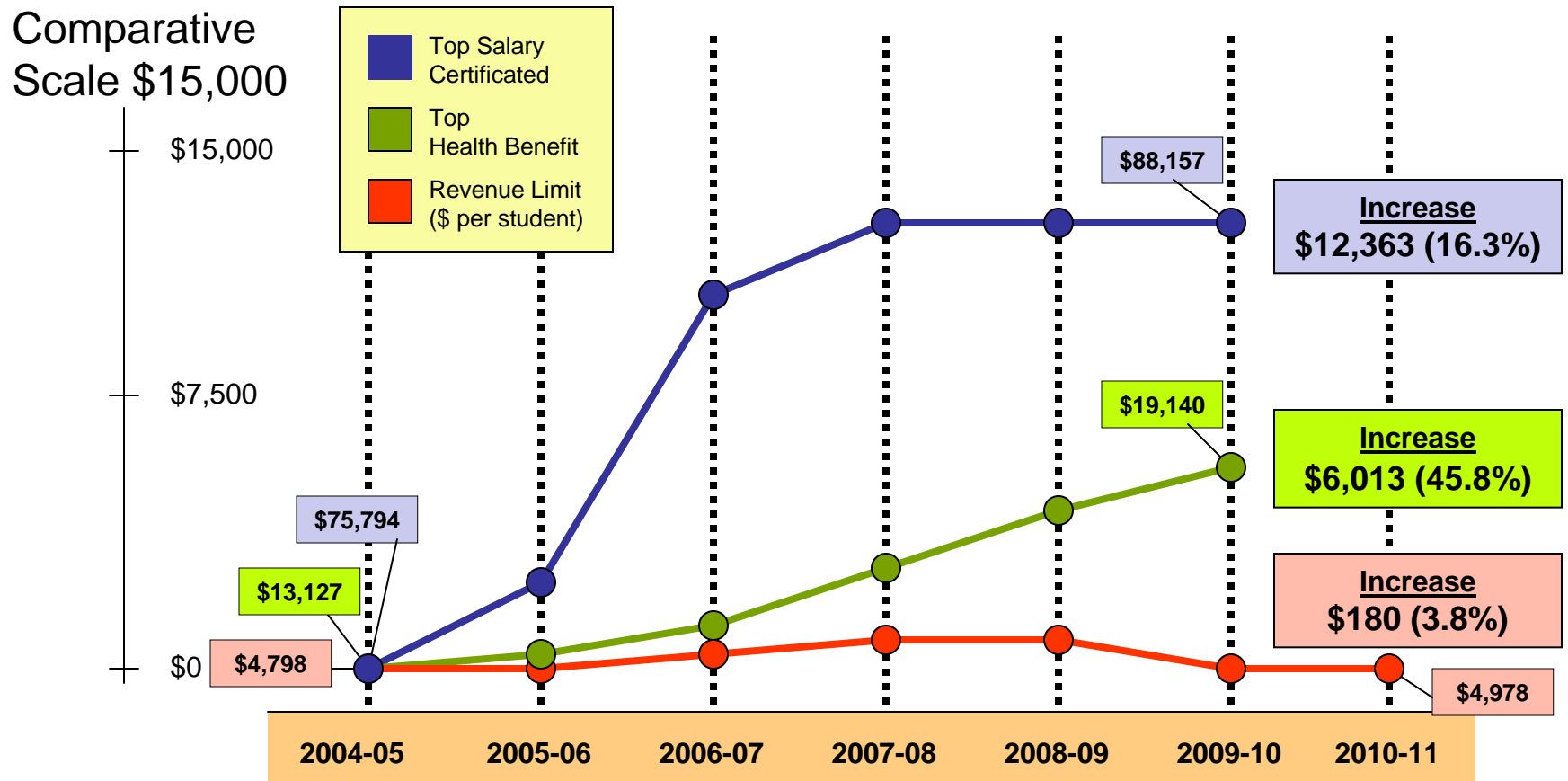


# Employee Health Benefits

## *Most Expensive Program Over Time*



# Top Certificated Salary, Top Health Benefits, & Revenue Limit Increases Over Time



# Governor's Proposed Budget

## (January 2010)

<b>Glendale Unified School District Unrestricted General Fund</b>			
<i>Ending Fund Balance in Excess of 3% Reserve (in millions)</i>			
	<b><i>With future COLAs</i></b>		<b><i>Without future COLAs</i></b>
	<u>(1.8%, 2.4%)</u>		<u>(1.8%, 2.4%)</u>
2009-10 \$	21.2 \$		21.2
2010-11 \$	7.5 \$		7.5
2011-12 \$	(15.7) \$		(18.5)
2012-13 \$	(40.5) \$		(50.3)

Need to address by 2<sup>nd</sup> Interim or declare "Qualified" certification

Need to address by 2010 Budget Adoption (June 2010) or declare "Negative" certification



# Governor's Proposed Budget

## (January 2010)

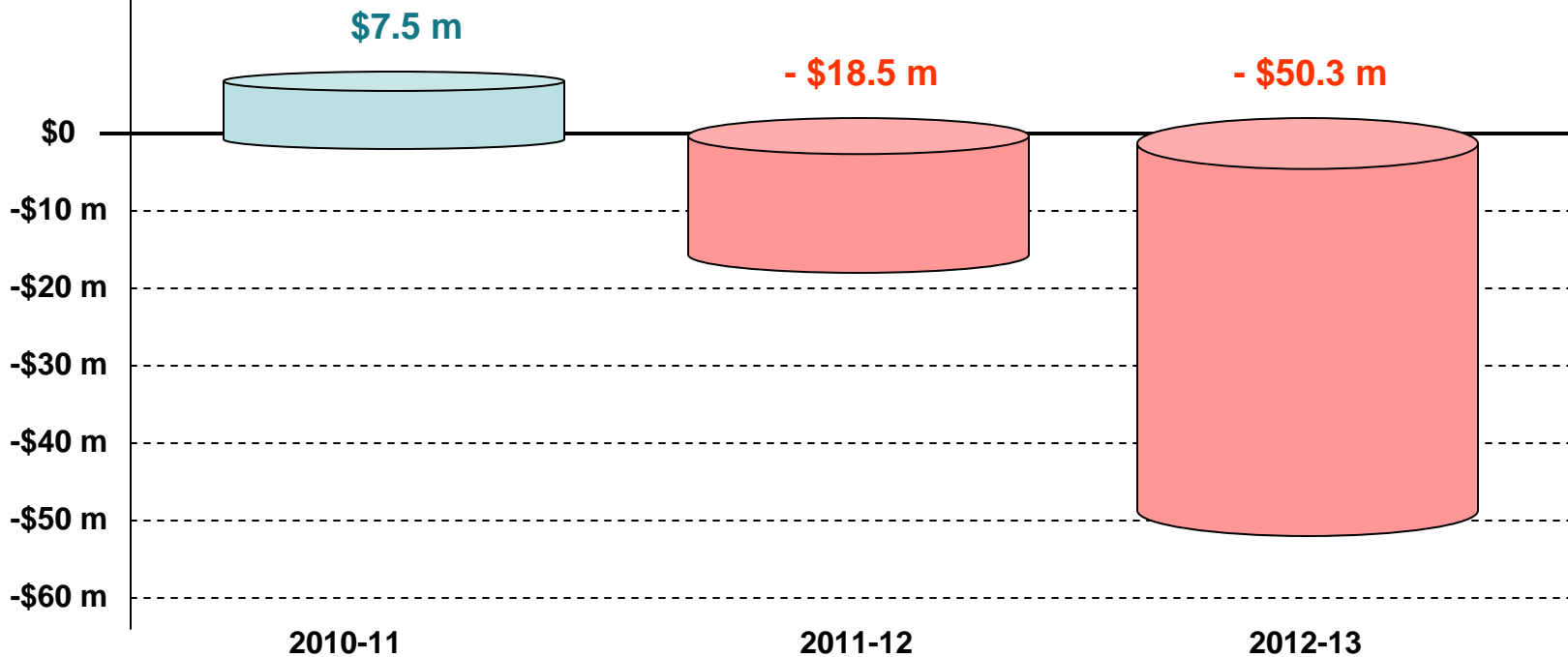
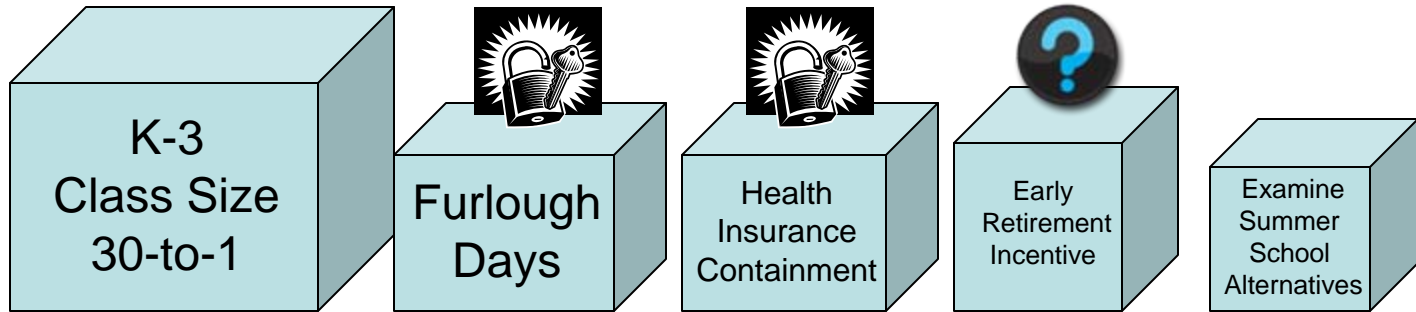
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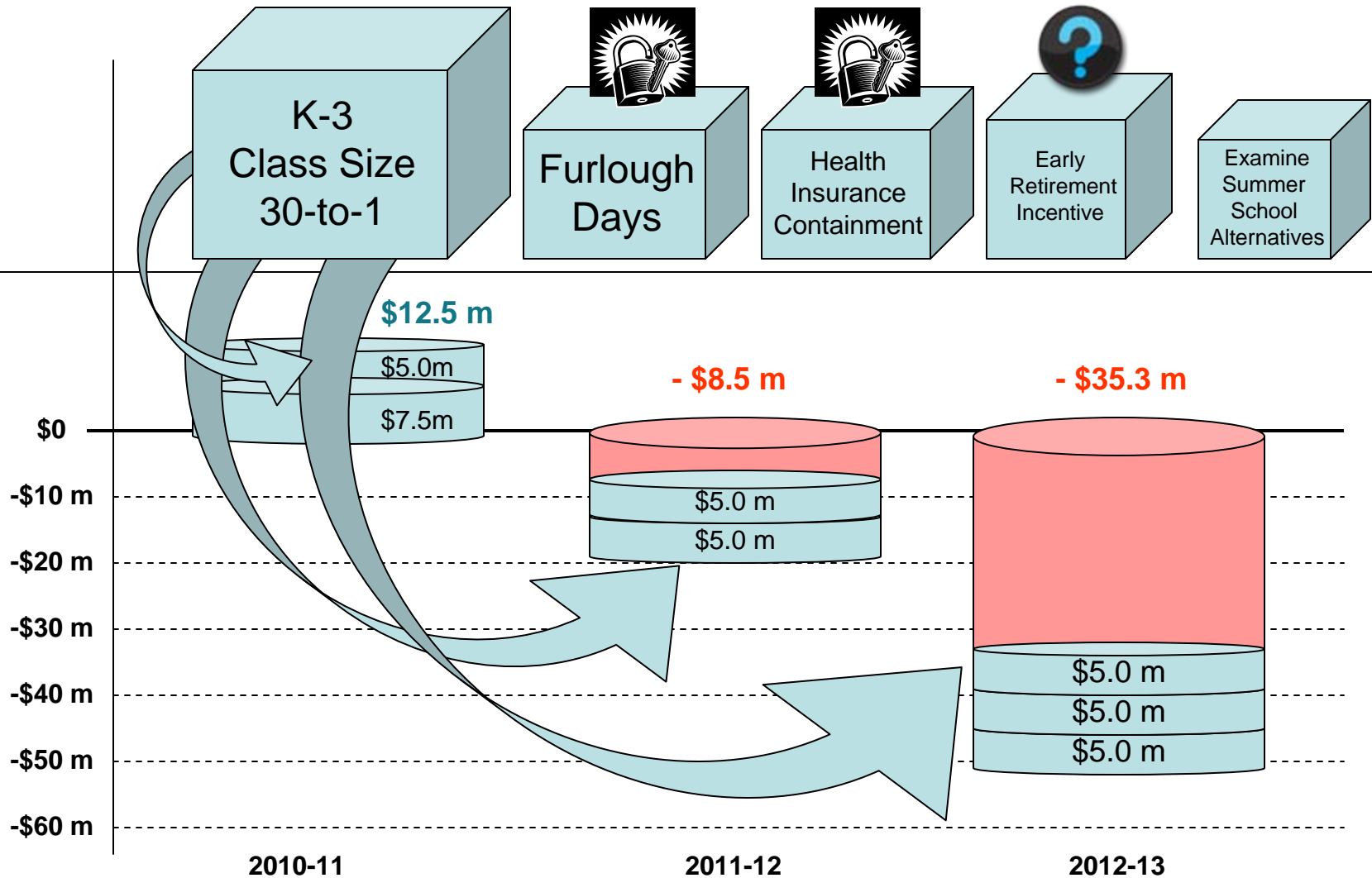
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- Caution:** *May Revise* projections predict further reductions, thus increasing these deficit levels
- Caution:** These figures do not include a possible \$50 per ADA reduction equaling \$1.28 m annually
- Caution:** Does not include a potential revenue limit reduction in 2010-11 due to impact of increased absences in 2009-10 (potential -\$1.1 m).

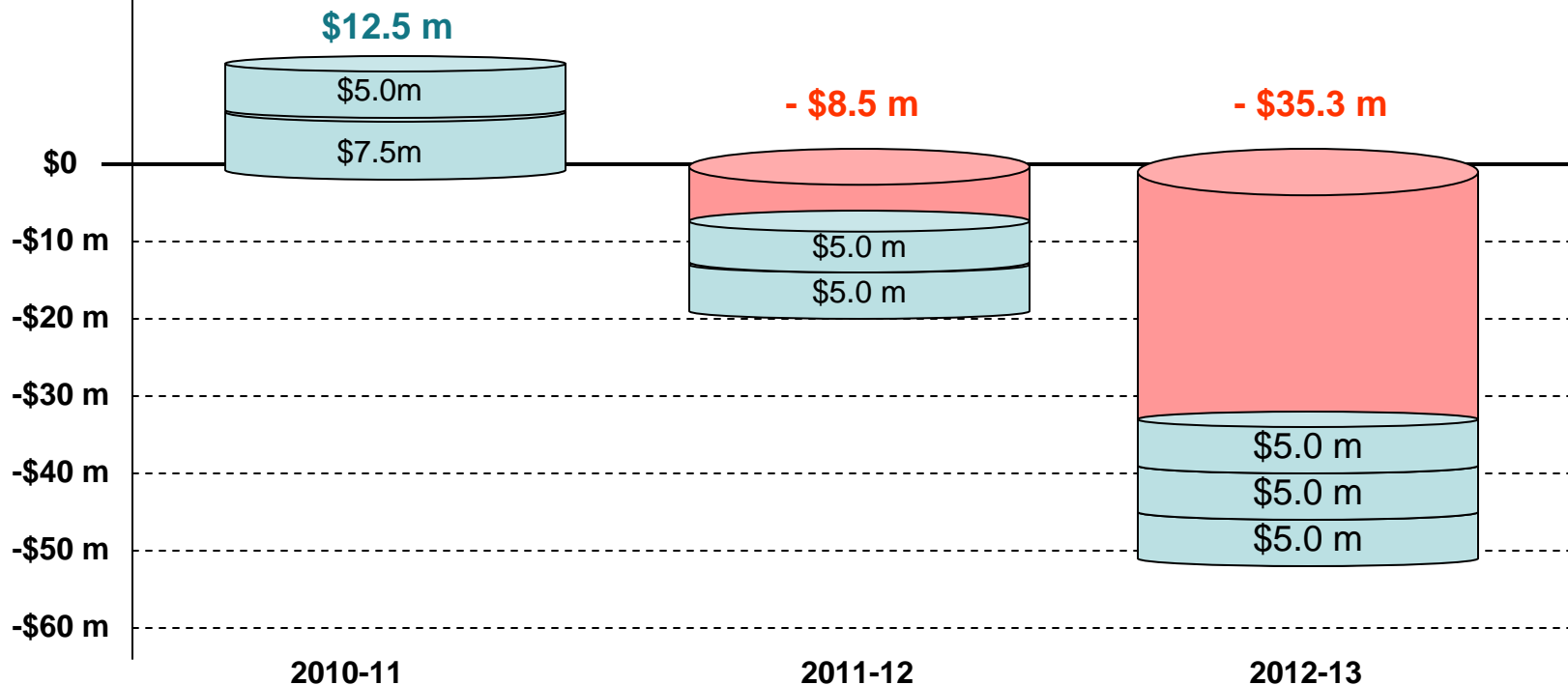
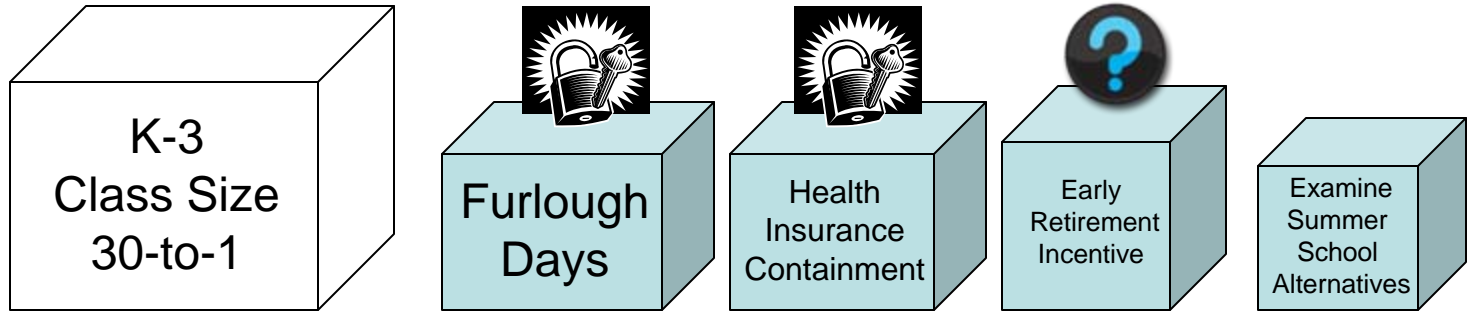
# Filling The Budget Gap



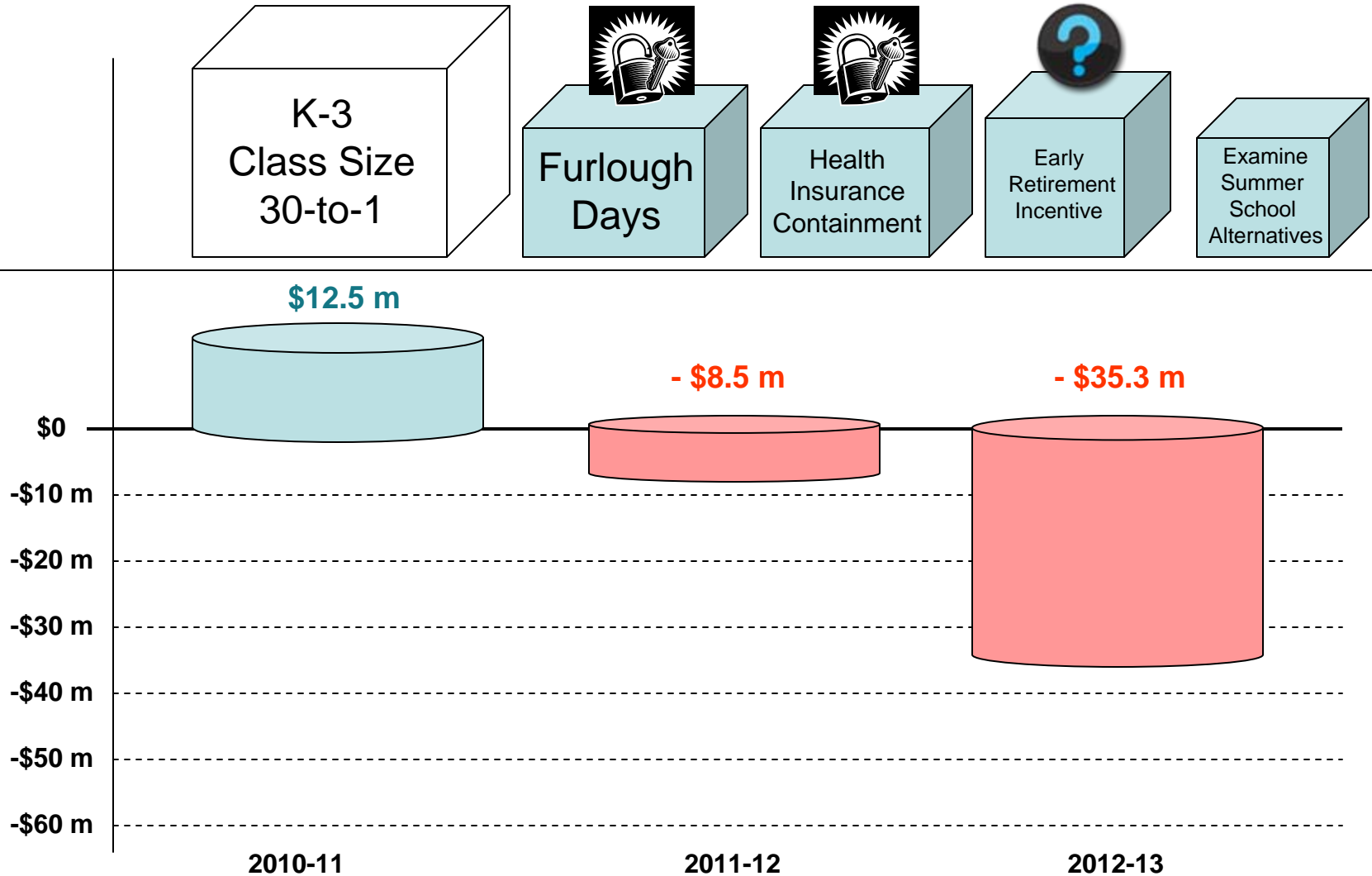
# Filling The Budget Gap



# Filling The Budget Gap



# Filling The Budget Gap



# Actions in Progress to Curb Future Budget Deficits



- Increasing Class Size in K-3
- Examining Summer School
- Proposing to Limit the District's Contribution to Health Benefits
- Offering Early Retirement Incentives: GTA, CSEA, GSMA
- Reconfiguring Work When Individuals Retire or Leave GUSD

# Reducing the Numbers of Potential March 15<sup>th</sup> Notifications (Layoffs)

The number of fewer teachers needed in K-3 when moving to a 30-to-1 student/teacher ratio	<b>112</b>
Elementary positions currently vacant	<b>- 7</b>
Approximate number of elementary teachers retiring	<b><u>- 23</u></b>
	<b>82</b>
Elementary teachers with secondary credentials to transfer to secondary openings	<b>- ?</b>
Probationary teachers not to be re-elected	<b><u>- ?</u></b>
Number of teachers to be noticed by March 15th (? X 2)	<b>?</b>

# Immediate Direction Needed

(to prepare for March 15, 2010)

- Initial target for class size in grades Kindergarten – 3<sup>rd</sup> Grade

