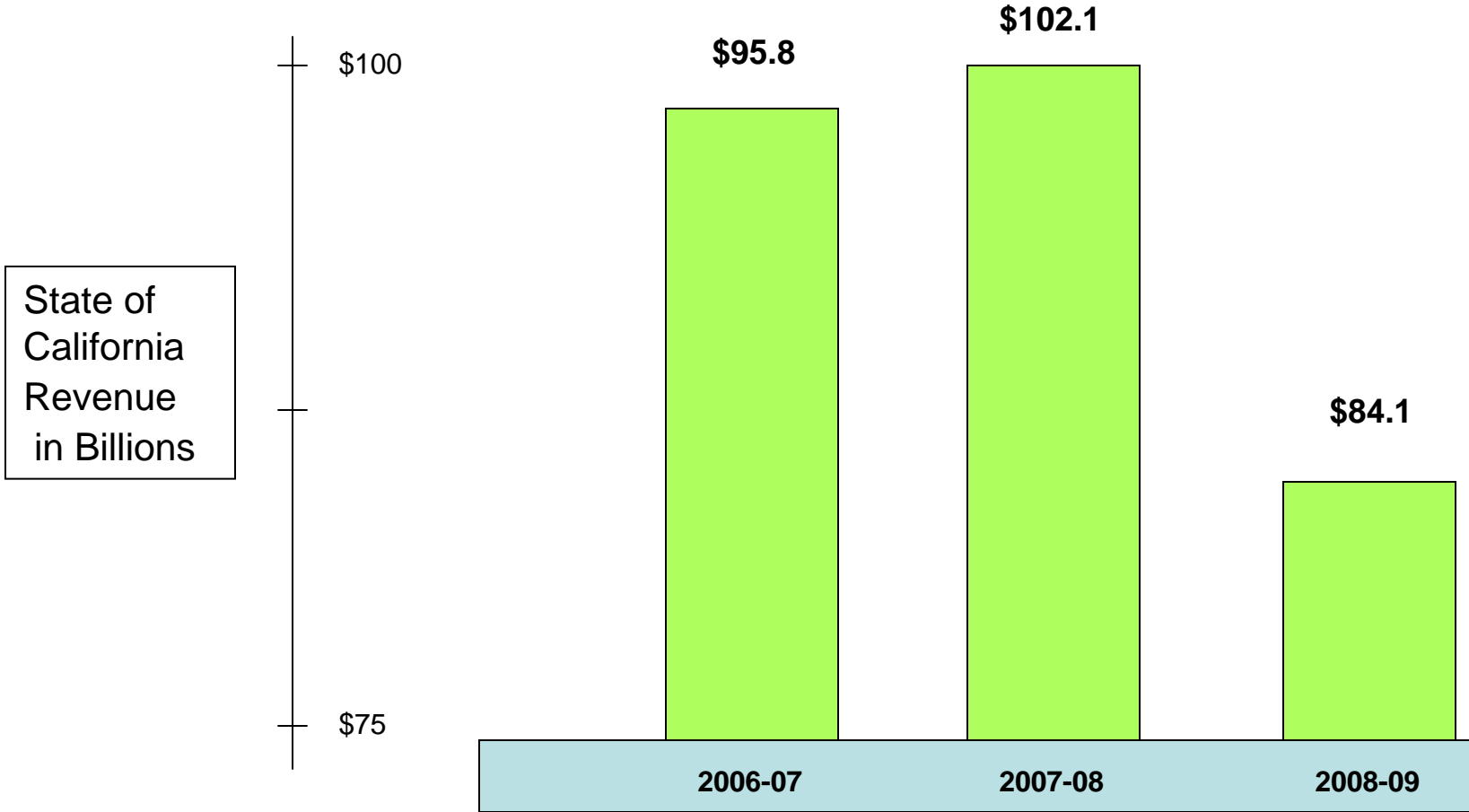


Addressing Long-Term Budget Challenges (Part 11)

Glendale Unified School District Board Meeting – March 2, 2010

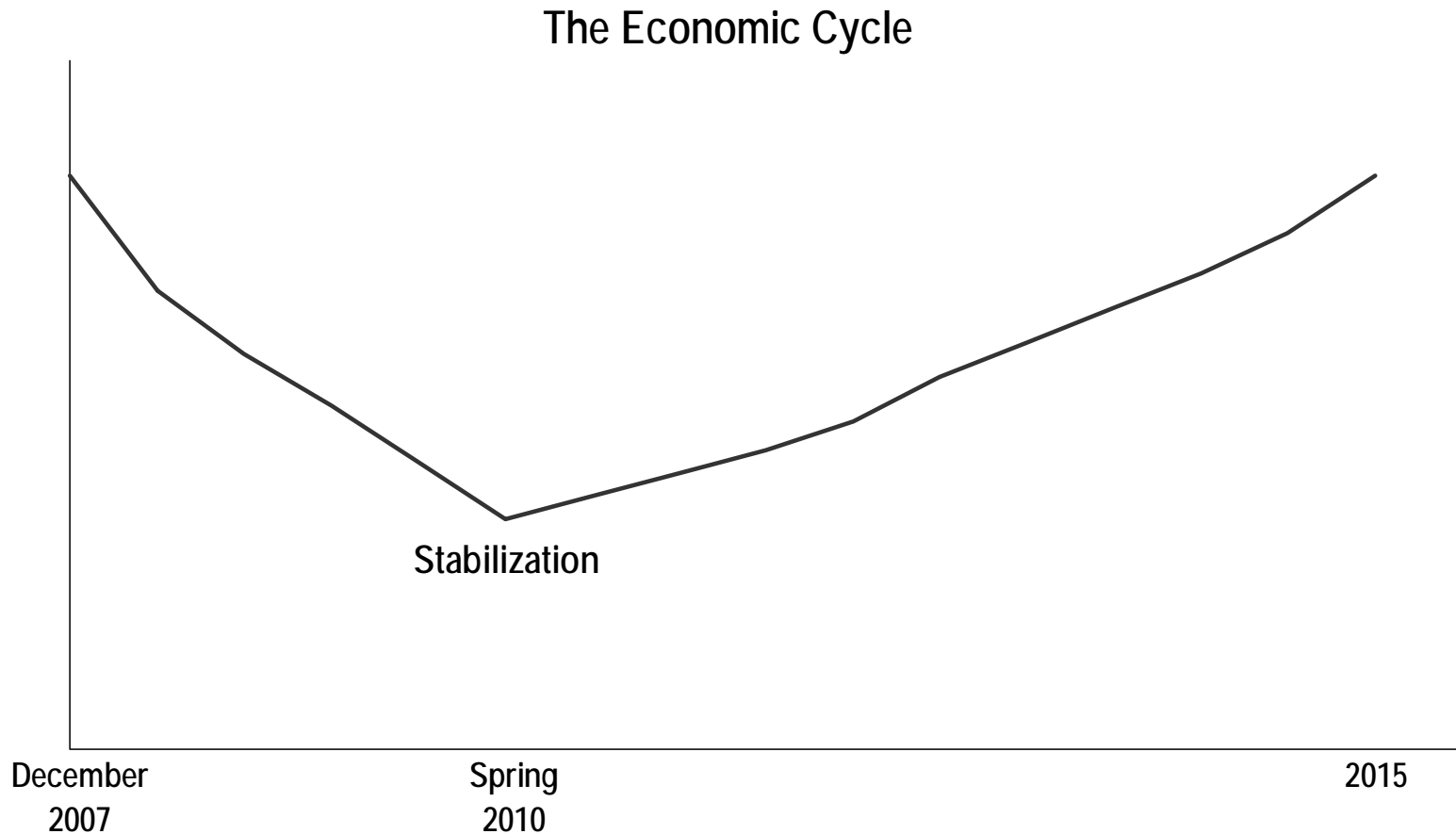
Eva Rae Lueck
Chief Business and Finance Officer
Glendale Unified School District
March 2, 2010

What has happened to the State budget?



California General Fund Revenue Trend
(in billions)

What is the projected recovery time for the State economy?



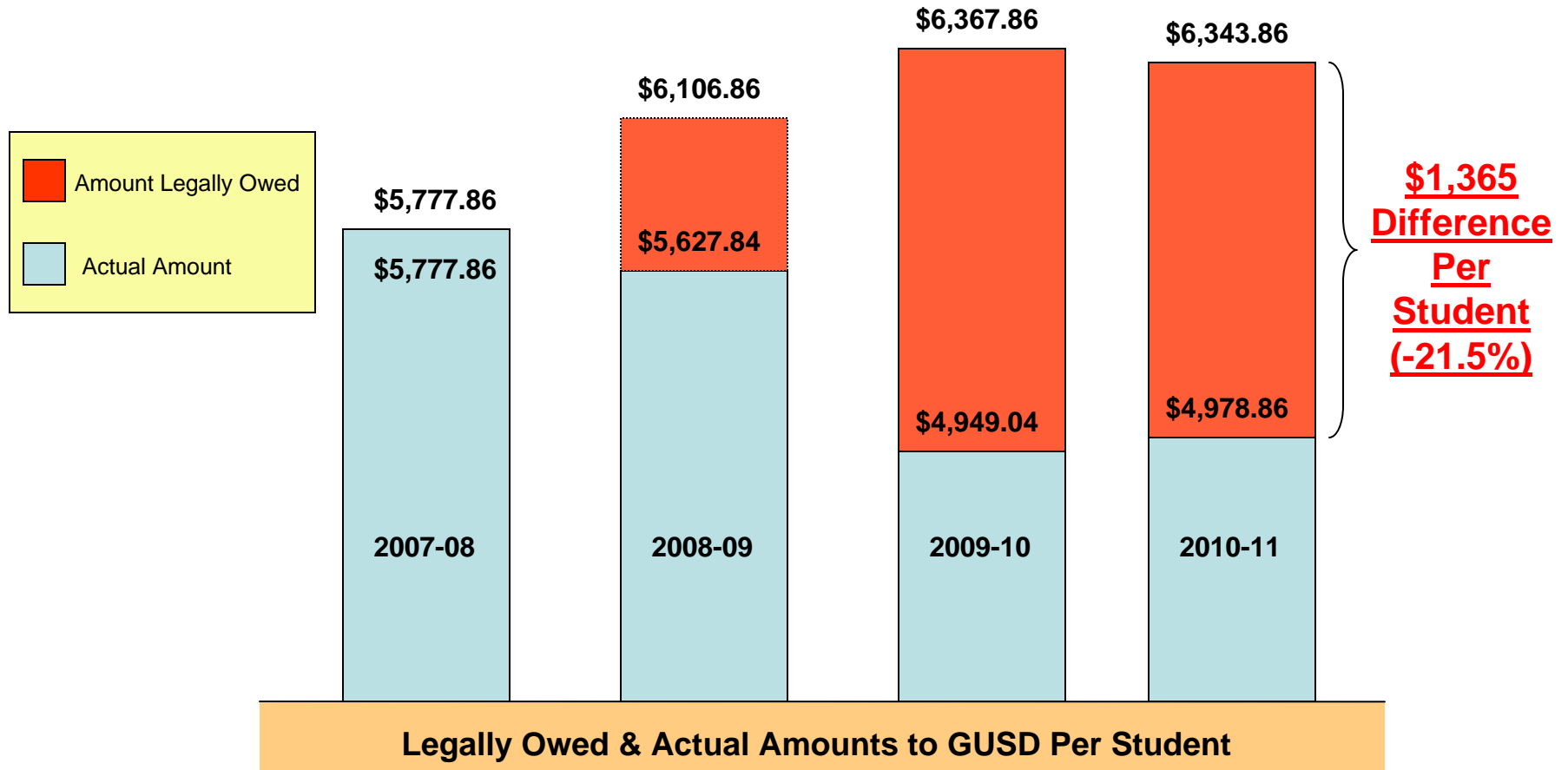
What is the GUSD Budget Challenge?

As a result of cuts in State funding, GUSD faces a

\$50.3 million deficit

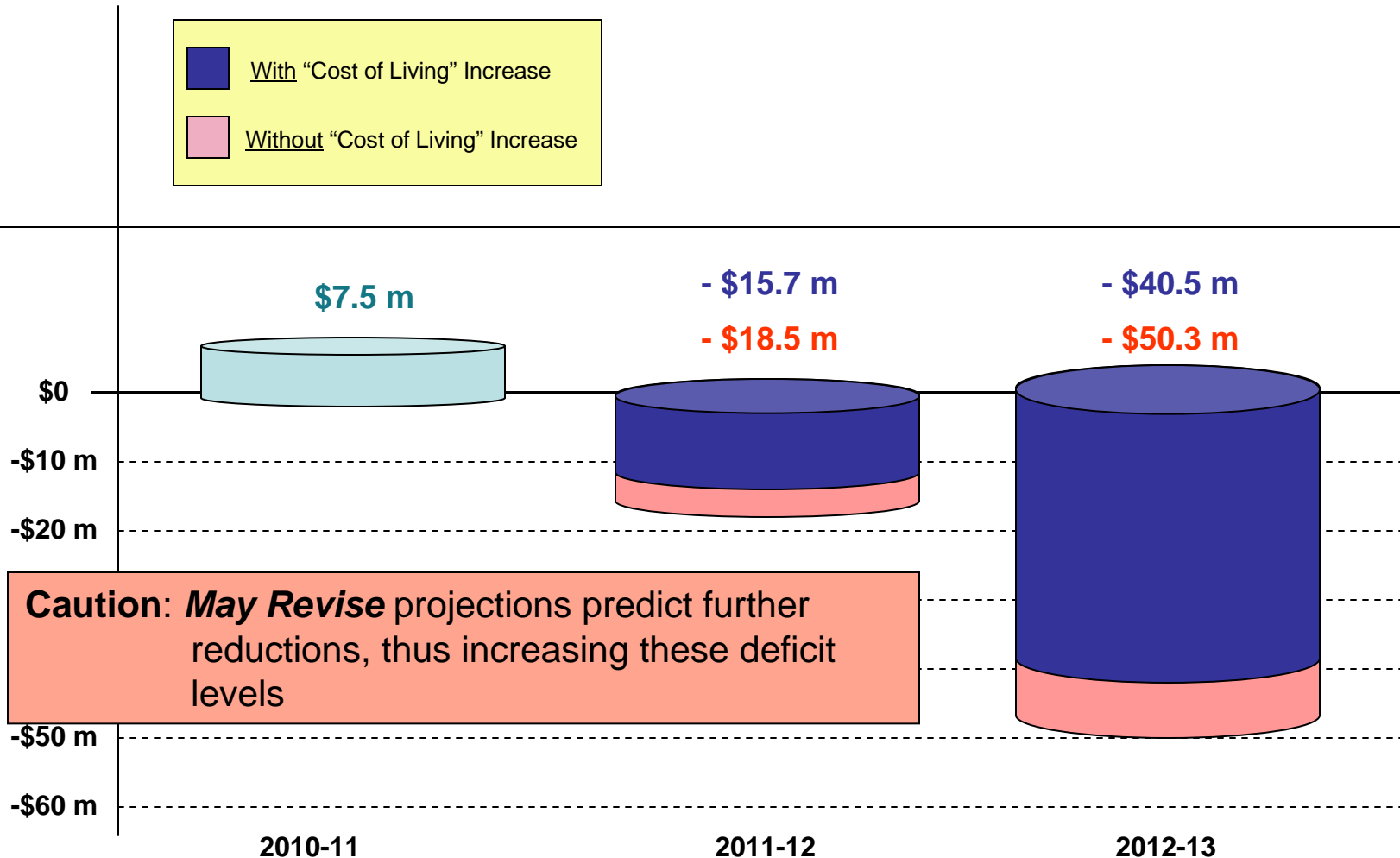
in 2012-13 if it does not address budgetary issues

What funding should GUSD receive per child?



GUSD will receive \$34.8 million LESS from the State in 2010-11 than it is legally owed.

What is the GUSD Budget shortfall under the Governor's Proposed Budget Plan?



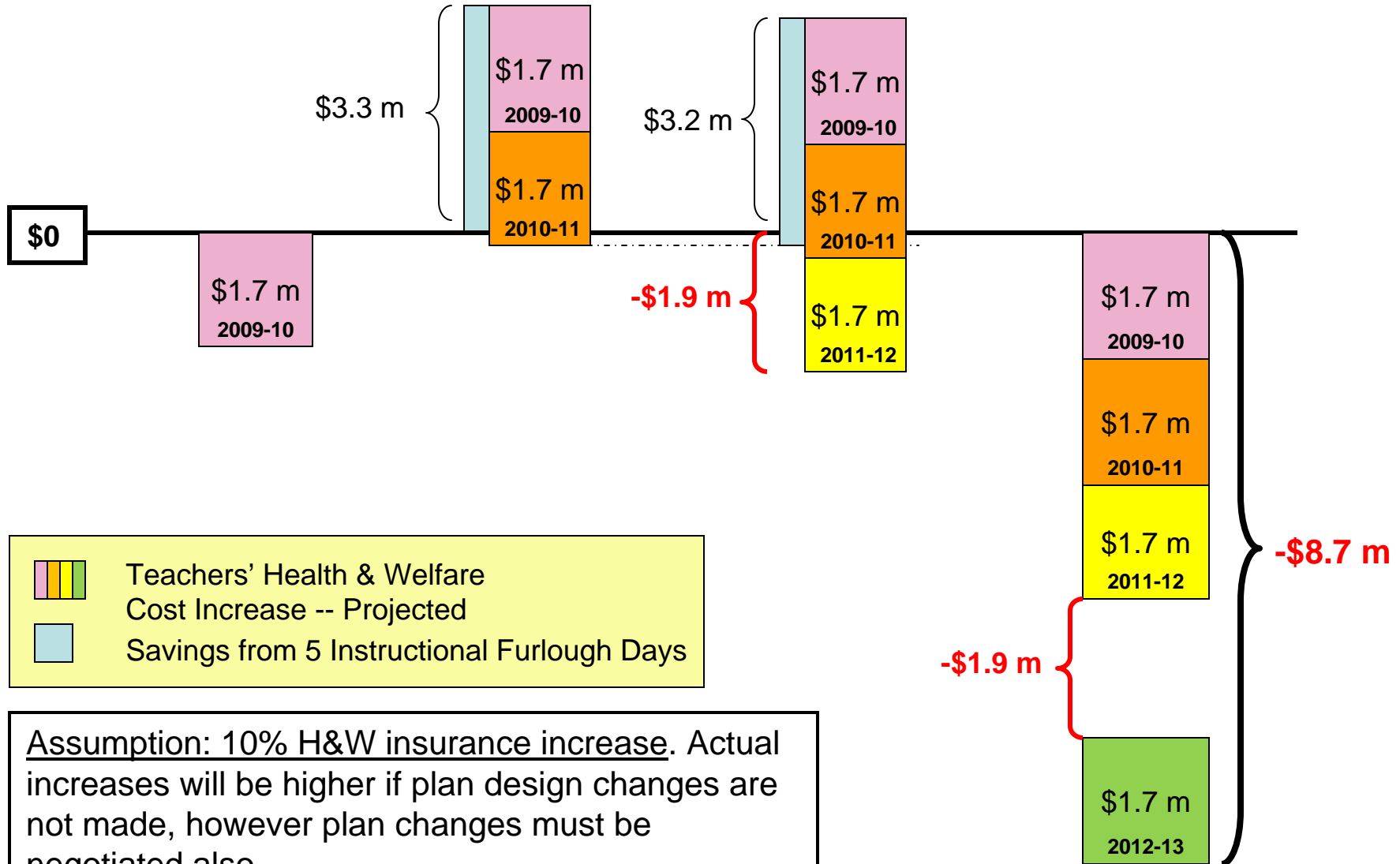
What has the District already done?

How much will the reductions already made help the \$50.3 million shortfall coming?

2009-10 Budget Plan

- Utilizing New Flexibility Options Offered by the State & Eliminating Programs
- Utilizing General Fund Reserves
- Using Federal Stimulus Funds (\$19 million)
- Postponing Textbook Adoptions
- Shifting Deferred Maintenance Funding to General Operations
- Spending the District's GASB 45 and Routine Restricted Maintenance Reserves
- Reducing Staff & Restructuring Services
- Developing Instructional Programs to Retain & Recruit Students (FLAG – Foreign Language Academies of Glendale – 133 Students from out of district in the 2009-10 school year)
- Implementing an Energy Conservation Program (over \$1 million in cost avoidance annually)
- Maximizing Participation in the Federal Free & Reduced Program
- Decreasing Counseling Staff
- 115 positions cut from District Office through attrition over recent years

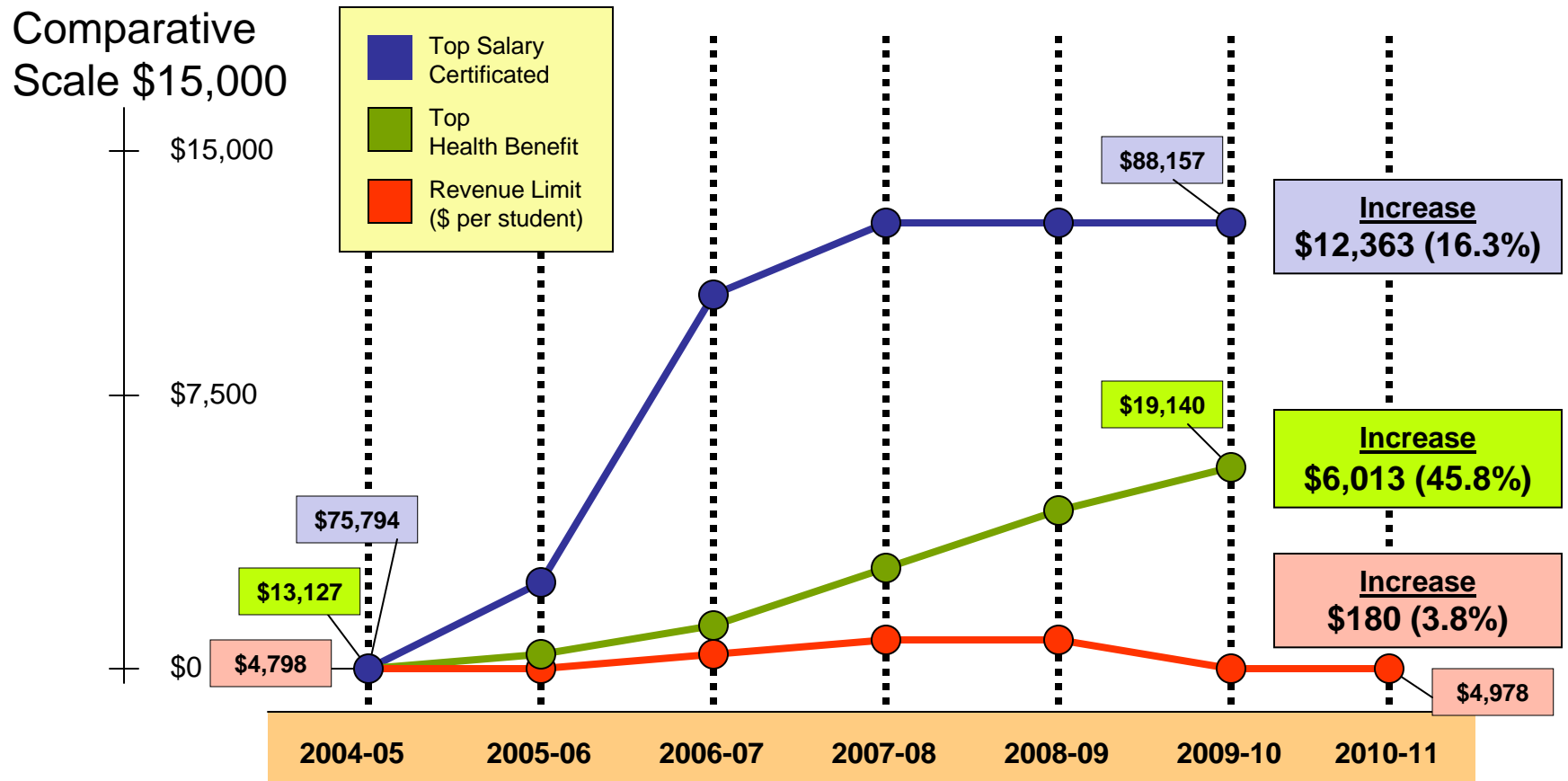
The “Furlough Savings vs Benefit Increase” Challenge



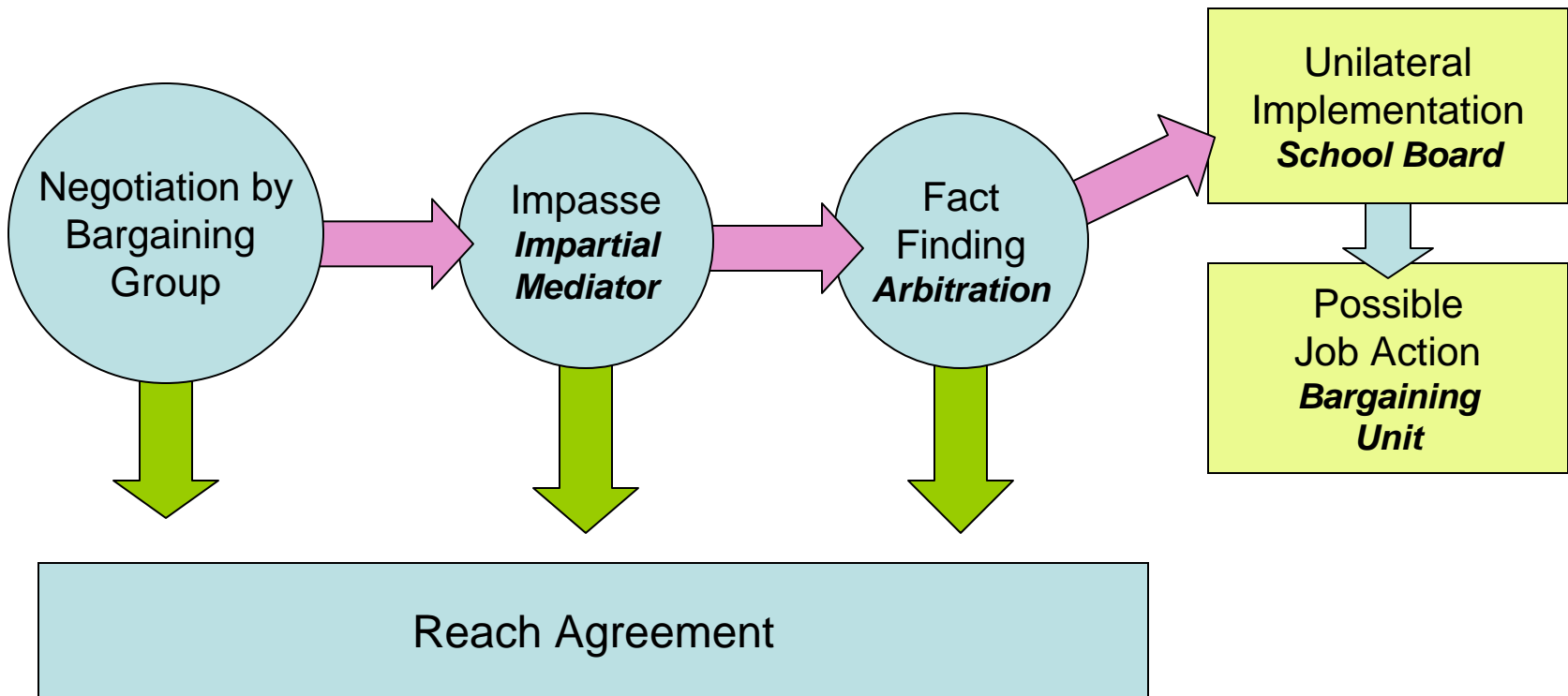
Teachers' Health & Welfare Cost Increase -- Projected
 Savings from 5 Instructional Furlough Days

Assumption: 10% H&W insurance increase. Actual increases will be higher if plan design changes are not made, however plan changes must be negotiated also

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

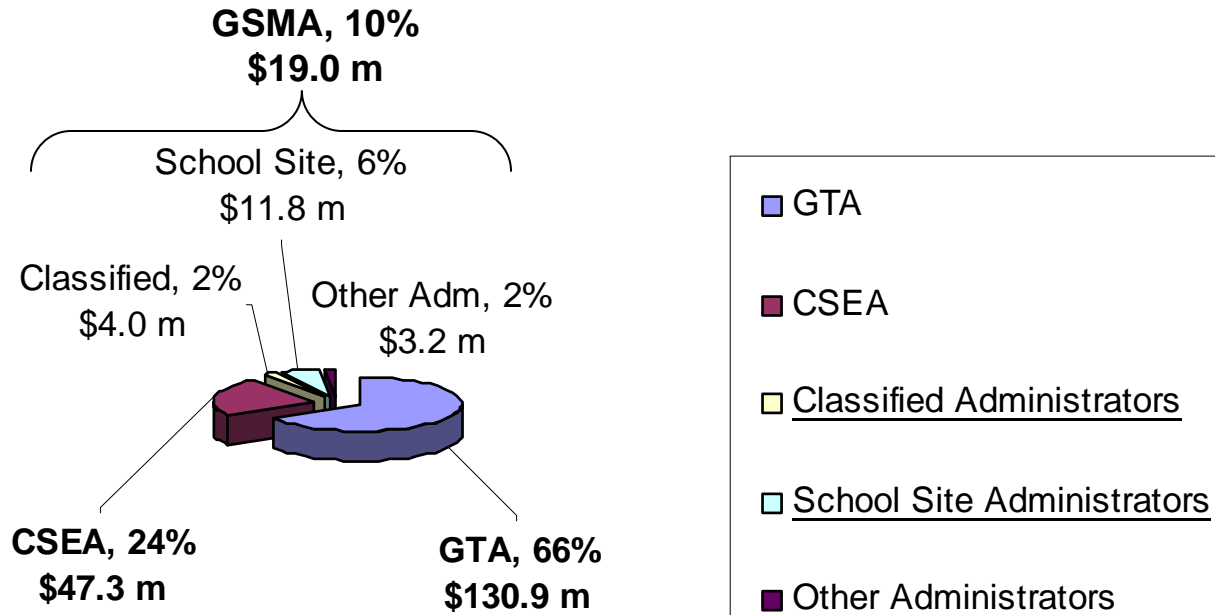


Negotiation Process

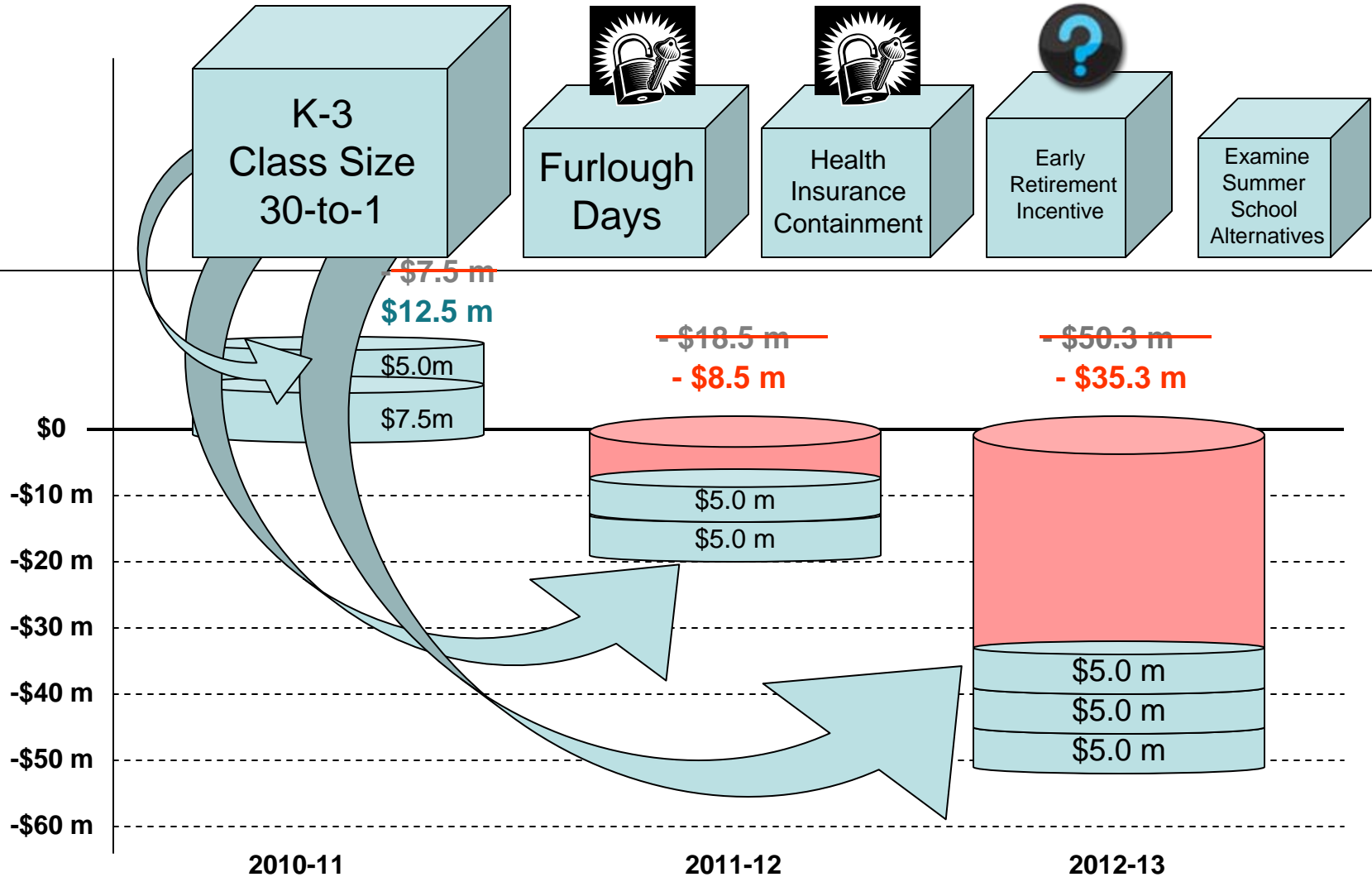


Percentage of all Salaries and Benefits for GTA, CSEA, and GSMA

Percentage of Salaries and Benefits by Bargaining Group



How can we fill the Budget Gap?



Who are the victims of the statewide financial crisis?



All of us.