
Addressing Long-Term Budget Challenges (Part 16)

Glendale Unified School District Board Meeting – June 1, 2010

Eva Rae Lueck
Chief Business and Financial Officer
June 1, 2010



2010-11 Draft Budget

The fiscal information will change. However, the Board of Education must by law adopt a budget for 2010-11 and include a fiscal plan for 2011-12 and 2012-13 by June 30, 2010.

2010-11 Draft Budget

Based upon the information that has been shared at the various meetings and the most current information available, the Superintendent recommends:

2010-11 Draft Budget - Recommendations

- Establish class size at Kindergarten and First Grade at 25 students. **Recommendation Suspended**
- ~~Establish class size at Second and Third Grade at 30 students for 2010-11.~~ The budgets for 2010-11, 2011-12 and 2012-13 will be projected with 30 students per class in Grades K-3. **(Amended)**
- Reduce staffing at secondary schools 1 FTE per 1,000 students. Roosevelt Middle School would be exempted from this reduction due to their program improvement status.

2010-11 Draft Budget - Recommendations

- **Reduce counseling at Daily High School by 1 FTE to align their staffing with the 600 student ratio.**
- **Sweep \$1.2 million of the new School Safety Grants. The monies will be utilized for Unrestricted General Fund purposes.**
- **Allow Clark Magnet High School to retain the 7 period day through the use of their categorical funds. This would result in a reduction of cost in the Unrestricted General Fund of 4 FTE.**

2010-11 Draft Budget - Recommendations

- **Utilize \$500,000 of Restricted Lottery funds each year to support the purchase of instructional materials.**
- **Charge the Food Service Program the indirect cost rate as allowed in the Education Code. This charge would begin in 2009-10.**
- **Adopt increased fees for “Group 3” usage of the District’s facilities. A specific recommendation on the dollar amount will be provided at a future meeting.**

2010-11 Draft Budget - Recommendations

- **Establish a bus transportation fee for students who wish to ride the bus to Clark High School. The fee would be on a semester basis and include a waiver for those students that are considered low income under the AFDC guidelines. The fee would be in the \$50 to \$100 range.**
- **Utilize the \$5.4 million received from the SLIM JPA to Reduce Workers' Compensation expense by \$1.8 million in each of the next 3 years.**

2010-11 Draft Budget - Recommendations

- **Instead of doing equal disbursements each year, shift the utilization of the reserves from outside the Unrestricted General Fund into the years they are needed.**
 - **These are termed “Solvency Transfers” in our documents and relate to the \$750,000 from Special Education, \$1.25 million of Retiree Health Insurance Fund, and \$1 million from the Restricted Maintenance Account.**

2010-11 Draft Budget - Recommendations

- **To maintain flexibility:**
 - **Charge all Deferred Maintenance projects to the Capital Facility Fund #40.1.**
 - **Preserve the \$4.2 million Deferred Maintenance Fund Balance for future flexibility.**

2010-11 Draft Budget

UNRESTRICTED GENERAL FUND Draft Budget & Multi Year Plan

<u>Description</u>	2010-11	2011-12	2012-13
Beginning Balance	35,473,348	21,068,307	7,977,365
Net Increase (Decrease)	<u>(14,405,041)</u>	<u>(13,090,942)</u>	<u>(22,935,094)</u>
Ending Balance	<u>21,068,307</u>	<u>7,977,365</u>	<u>(14,957,729)</u>
Components of Ending Fund Balance:			
Revolving Cash & Warehouse	187,345	187,345	187,345
3% Reserve	6,468,313	6,566,322	6,673,284
Undesignated Balance Above 3%	14,412,649	1,223,698	(21,818,358)

Note:

\$4.2 million Deferred Maintenance Reserve - not included

Tentative Agreement with GTA - not included

Additional \$900,000 for estimated 2010-11 Health Insurance Increase - included

Caution: Legislative changes needed to maintain K-3 Flexibility for 2012-13