

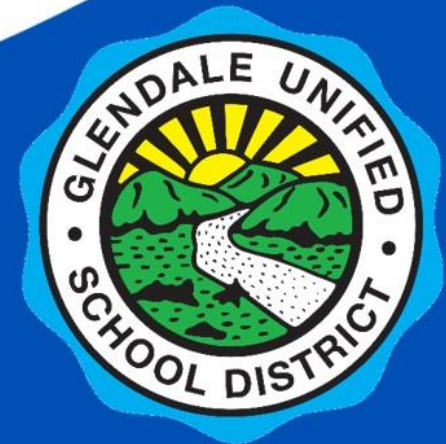
GUSD Solvency Plan Update for 2017-18 and 2018-19

November 28, 2017

Information Report No. 6

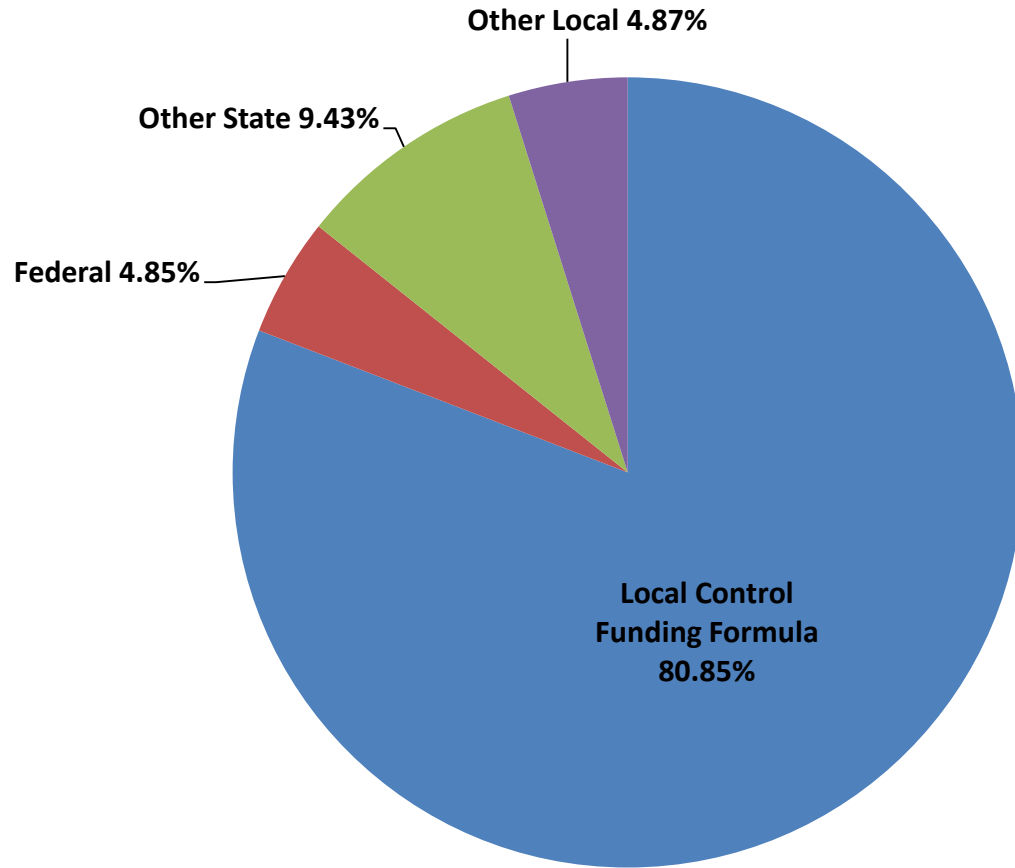
Presented by: Stephen Dickinson

Chief Business and Financial Officer





2017-18 Board Approved Budget TOTAL REVENUE – GENERAL FUND



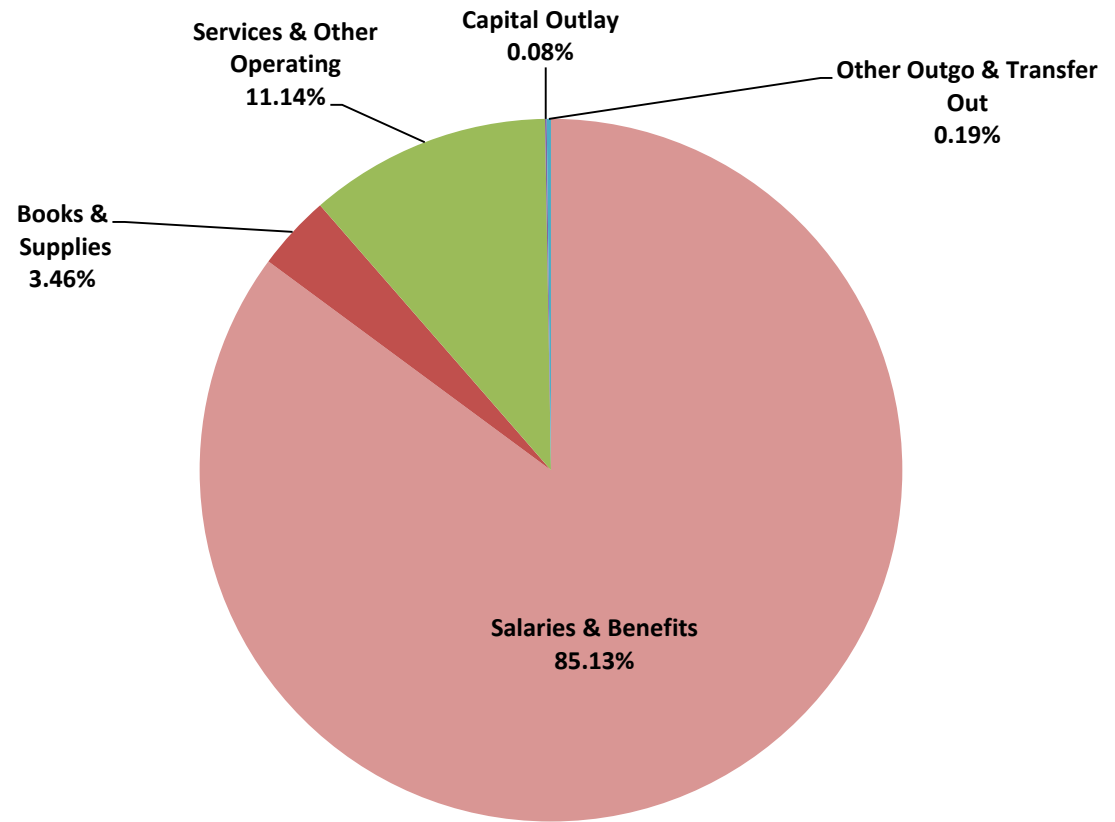
| REVENUES (In Million \$) | BOARD APPROVED OPERATING BUDGET | ACTUAL REVENUES | Percentage (Ratio of Actuals/Budget) |
|-----------------------------|------------------------------------|--------------------|---|
| | As of September 30, 2017 | | |
| LCFF | 221,603,934 | 33,456,591 | 15.10% |
| Federal | 13,297,150 | 2,417,088 | 18.18% |
| Other State | 25,851,895 | 10,067,578 | 38.94% |
| Other Local | 13,339,437 | 7,157,133 | 53.65% |
| Total | 274,092,416 | 53,098,390 | 19.37% |

Information through September 30, 2017 or 25% of Fiscal Year



2017-18 Board Approved Budget

TOTAL EXPENDITURES – GENERAL FUND



| EXPENDITURE (In Million \$) | BOARD APPROVED OPERATING BUDGET | ACTUAL EXPENDITURES | Percentage (Ratio of Actuals/Budget) |
|--------------------------------|------------------------------------|------------------------|---|
| | As of September 30, 2017 | | |
| Salaries & Benefits | 237,242,529 | 21,851,682 | 9.21% |
| Books & Supplies | 9,648,907 | 3,336,051 | 34.57% |
| Services & Other Operating | 31,042,813 | 4,011,047 | 12.92% |
| Capital Outlay | 218,608 | 46,336 | 21.20% |
| Other Outgo & Transfers Out | 539,479 | 199,838 | 37.04% |
| Total | 278,692,336 | 29,444,954 | 10.57% |

Information through September 30, 2017 or 25% of Fiscal Year



Status/Update on 2017-18 Solvency Plan Revenue

| Proposed Action | Est. Rev. Increase at Budget Adoption | Updated Est. Nov 2017 |
|--|--|--------------------------------------|
| Independent Study for all students out for 5 days or more | \$10,000 | \$10,000 |
| Increase ADA percentage by .5% (2016-17 final ADA was 96.4%) | \$1,423,563 | \$1,423,563 |
| Raise fees for facility usage by community groups | \$15,000 | \$15,000 |
| Increase E-waste rebates by including community E-waste | \$5,000 | \$5,000 |
| May Revise Improvement | \$2,000,000 | \$2,000,000 |
| Commodity recycling-Cardboard | \$5,000 | \$5,000 |
| Increase enrollment | \$838,418 | \$1,380,983 |
| Subtotals | \$4,296,981 | \$4,839,546 |



Status/Update on 2017-18 Solvency Plan

Expenditures – Salaries and Benefits

| Proposed Action | Est. Exp. Decrease at Budget Adoption | Updated Est. Nov 2017 |
|---|---------------------------------------|-----------------------|
| Salaries & Benefits | | |
| Reduce overtime for classified management position | \$15,000 | \$15,000 |
| Review classified staffing level | \$200,000 | \$200,000 |
| Identify areas for Special Education reductions | \$120,000 | \$0 |
| Reduce sub days for Professional Development | \$100,000 | \$100,000 |
| Professional Development (Secondary Ed. Serv.) - 5 Teacher Specialist/Learning Leaders/6th period Savings (most savings already in the Multi-Year-Plan) | \$100,000 | \$100,000 |
| Teacher Attrition/Realloc/etc. (retirement savings already included in budget) | \$0 | \$0 |
| FLAG in 17-18 reduction | \$175,000 | \$175,000 |
| 3 Positions Added – Foster/Homeless, Social Worker and Armenian FLAG | \$0 | (\$375,000) |
| Various Principal Additional Assignment Savings | \$15,000 | \$15,500 |
| H&W rates lower than budgeted – MedImpact Pharm carve-out | \$1,595,502 | \$1,595,502 |
| Subtotals | \$2,321,002 | \$1,826,002 |



Status/Update on 2017-18 Solvency Plan Expenditures – Supplies

| Proposed Action | Est. Exp. Decrease at Budget Adoption | Updated Est. Nov 2017 |
|---|--|--------------------------------------|
| Supplies | | |
| Increase communication with parents by means other than paper | \$10,000 | \$10,000 |
| Reduction of costs for Meal/snacks at meetings | \$20,000 | \$20,000 |
| Cost of copies | \$50,000 | \$50,000 |
| Accelerated Reader Subscription | \$64,213 | \$64,213 |
| District office supplies | \$70,000 | \$70,000 |
| Subtotals | \$214,213 | \$214,213 |



Status/Update on 2017-18 Solvency Plan Expenditures – Services

| Proposed Action | Est. Exp. Decrease at Budget Adoption | Updated Est. Nov 2017 |
|---|---------------------------------------|-----------------------|
| Services | | |
| Review use of retired certificated staff | \$25,000 | \$25,000 |
| Review use of outside services | \$25,000 | \$25,000 |
| Approve conferences based on purpose and alignment to LCAP | \$50,000 | \$50,000 |
| Examine cost of 3rd party contracts | \$250,000 | \$250,000 |
| Reduce cost of Transportation (SPED and Clark) | \$200,000 | \$0 |
| Close Elementary and Middle school total for one week in the summer | \$44,431 | \$7,000 |
| Have summer school at less sites | \$130,000 | \$30,000 |
| Subtotals | \$724,431 | \$387,000 |
| Totals | \$7.55 m | \$7.26 m |



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Possible Revenue Increases 2018-19

| Proposed Action | Target Rev. Increase | Estimated Actual Rev. Increase |
|---|-----------------------------|---------------------------------------|
| Maintain ADA percent at 96.9% – started 2017-18 | Maintain | \$0 |
| Increase enrollment of net +50 students – over 2017-18 | \$435,000 | \$0 |
| Increase lease revenue – through possible building exchange transaction? | \$200,000 | \$0 |
| LCFF on-going funding improvement – January and May 2018 Gov. Budget info | \$0 | \$0 |
| Use of one-time revenue/current reserves | \$1,000,000 | \$0 |
| Subtotals | \$1,635,000 | \$0 |



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Possible Budget Reductions 2018-19 Expenditures – Supplies

| Proposed Action | Target Savings | Estimated Actual Savings |
|--------------------------------------|-----------------------|---------------------------------|
| Copier/printer equipment and service | \$125,000 | \$0 |
| Software subscriptions | \$50,000 | \$0 |
| District office supplies | \$25,000 | \$0 |
| | | |
| Subtotals | \$200,000 | \$0 |



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Possible Budget Reductions 2018-19 Expenditures – Services

| Proposed Action | Target Savings | Estimated Actual Savings |
|--|-----------------------|---------------------------------|
| Review use of outside services | \$50,000 | \$0 |
| Examine cost of 3 rd party contracts | \$50,000 | \$0 |
| Reduce cost of Clark Magnet transportation (and/or increase fee) | \$200,000 | \$0 |
| Reduce cost of SpEd transportation | \$250,000 | \$0 |
| Reduce cost of FASO vehicle fleet | \$20,000 | \$0 |
| | | |
| Subtotals | \$570,000 | \$0 |



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Possible Budget Reductions 2018-19 Expenditures – Salaries and Benefits

| Proposed Action | Target Savings | Estimated Actual Savings |
|--|-----------------------|---------------------------------|
| Reduce overtime for classified management position | \$10,000 | \$0 |
| Review administrative staffing level | \$400,000 | \$0 |
| Review classified staffing level | \$600,000 | \$0 |
| Identify areas for Special Education reductions | \$240,000 | \$0 |
| Reduce sub days for Professional Development | \$20,000 | \$0 |
| Teachers/Attrition/Reallocation/etc. (retirement savings already included in budget) | \$1,000,000 | \$0 |
| Various Principal Additional Assignment Savings | \$10,000 | \$0 |
| H&W rates higher/lower than budgeted – information in May 2018 | \$0 | \$0 |
| Subtotals | \$2,280,000 | \$0 |
| Totals | \$4.68 m | \$ |



Next Steps:

- Adopt Draft 2018-19 Solvency Plan as part of 1st Interim on December 12th
- Re-evaluate after new revenue projections in January 2018
- Re-evaluate after union settlements

Questions/Comments?