

# LCAP Town Hall

## Topic: GUSD Budget Update

March 1, 2021

Presented by: Stephen Dickinson

Chief Business and Financial Officer



*Excelling Together with Endless Pathways for Success!*



# Agenda

- One-Time COVID-19 Funds: Federal and State
- Ongoing Funds: Local Control Funding Formula
- Supplemental Funds for English learners, low-income and foster/homeless youth
- A few key takeaways



## Federal COVID-19 One-Time Funds

- Federal #1 – CRF, ESSER, GEER, LLM and SB 117
  - GUSD = \$21.3 million
  - Received in summer/fall of 2020
  - These funds have already been spent and/or obligated on costs through the remainder of the 2020-21 school year
    - *CRF – Coronavirus Relief Fund*
    - *ESSER – Elementary and Secondary Schools Emergency Relief*
    - *GEER – Governor’s Emergency Education Relief*
    - *LLM – Learning Loss Mitigation*



## Federal COVID-19 One-Time Funds

- Federal #2 – ESSER
  - GUSD estimate = \$20.77 million
  - Approved 12/27/2020, but not yet received
  - These funds would be used to fund continuing COVID-related expenses throughout the 2021-22 school year. These costs may include: continuing supply of all basic PPE, partitions, cleaning supplies, air filters, additional air purification solutions, touchless fixtures, technology devices, outdoor classroom spaces, and the increased personnel cost of custodians and other support as needed



## Federal COVID-19 One-Time Funds

- Federal #3? – Still being discussed in Washington, D.C.
- Funding is not an obstacle for school reopening plans



## State COVID-19 One-Time Funds SB 86/AB 86 Information from Today (3/1/21)

- School Reopening Grant – \$2 billion statewide
  - GUSD estimate = up to \$8.4 million
  - Requirements:
    - Approved COVID-19 School Safety Plan
    - Purple Tier – Provide optional in-person instruction to TK-2 and prioritized student cohorts (English learners, Special Education, foster and homeless, at risk, disengaged, and lacking internet access)
    - Must begin by March 31 – funding reduced by 1% for each day of instruction that the district did not provide in-person instruction starting April 1



## State COVID-19 One-Time Funds SB 86/AB 86 Information from Today (3/1/21)

- Expanding Learning Opportunities Grant – \$4.6 billion statewide
  - GUSD estimate = \$18 million
  - Expenditure plan by 6/1/21 – expend funds by 8/31/22
  - Extending instructional learning time
  - Accelerating progress to close learning gaps
  - Integrated pupil supports to address other barriers to learning
  - Prioritized students (English learners, Special Education, foster and homeless, at risk, disengaged, lacking internet access, low income and below grade level/in danger of not graduating)



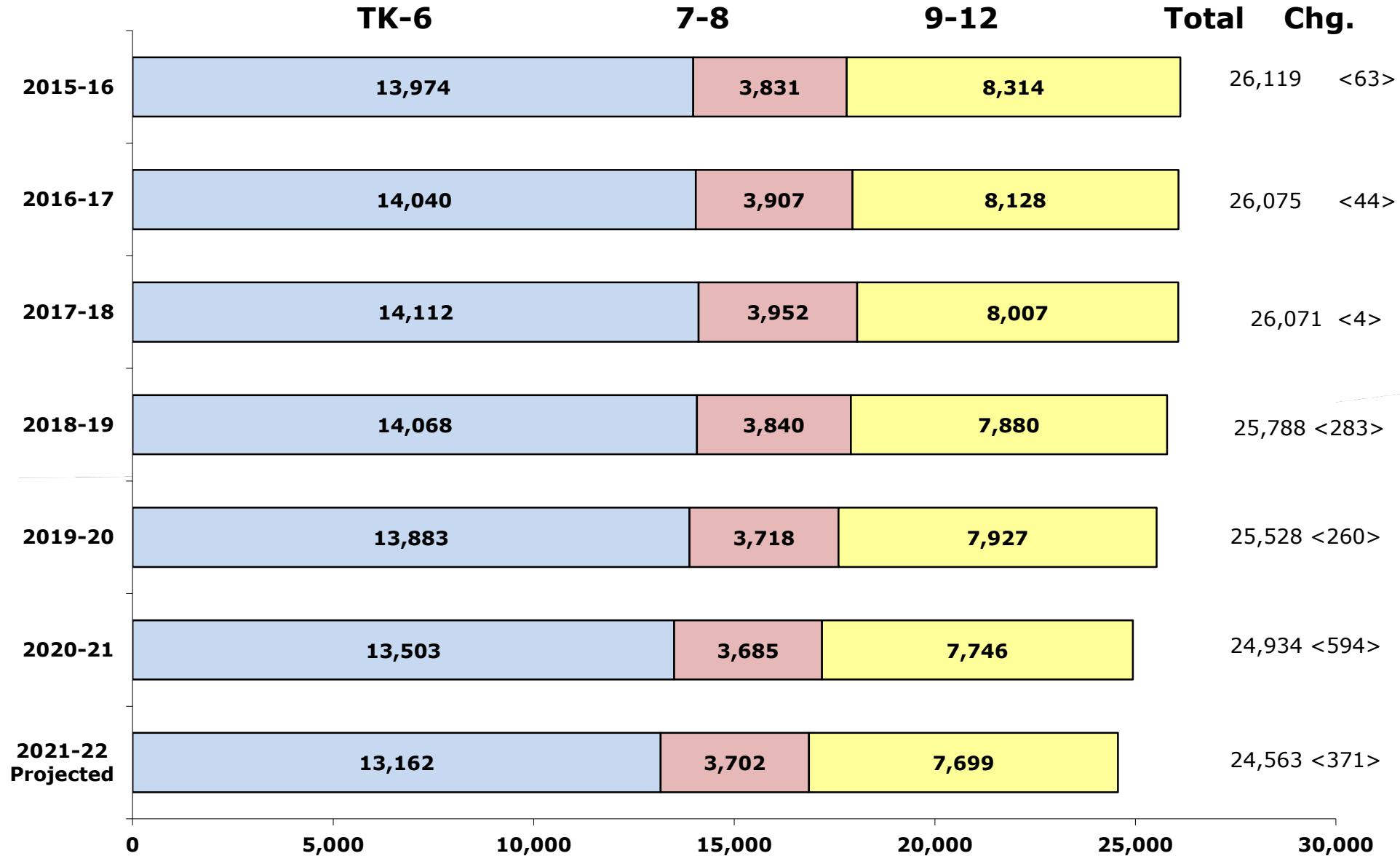
# State Local Control Funding Formula (LCFF)

- 0% Cost Of Living Adjustment (COLA) for 2020-21
- 3.84% Cost Of Living Adjustment (COLA) for 2021-22
  - GUSD estimate = \$8.6 million ongoing funding
  - This ongoing funding increase can be 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



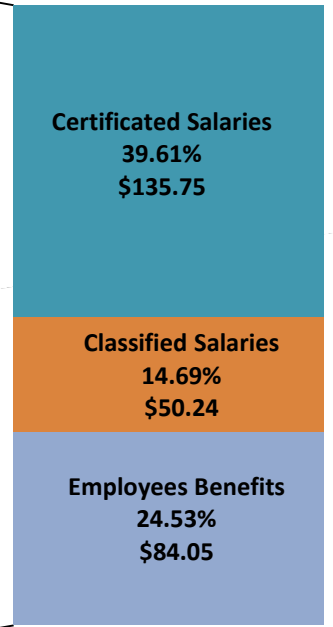
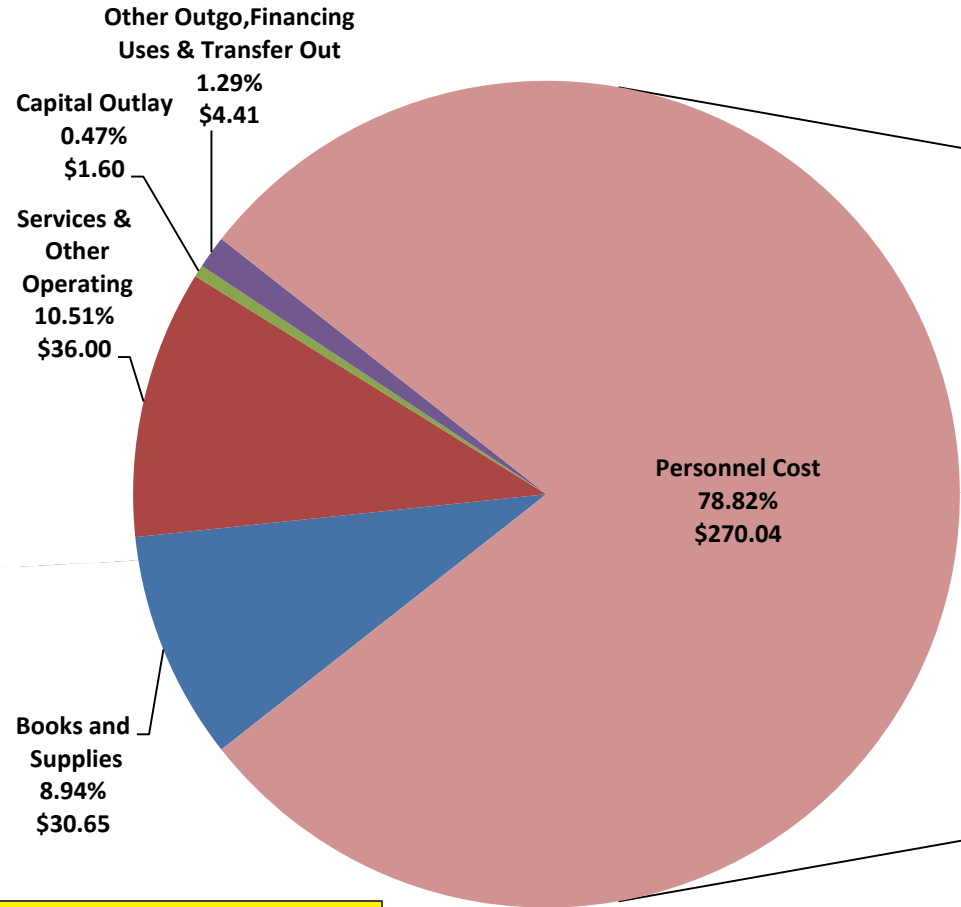
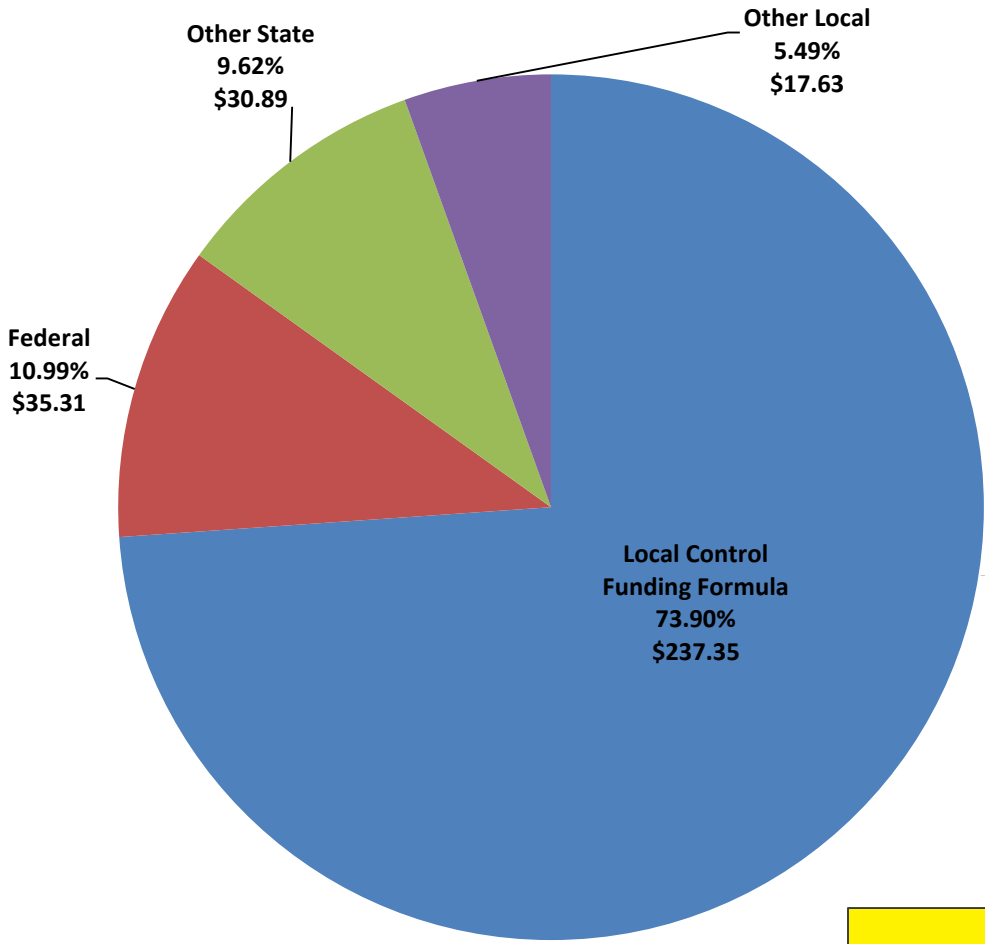


# Historical Enrollment (CALPADS Data)





# (12/15/20) 2020-21 First Interim with COVID-19 Exp/Rev TOTAL REVENUES & EXPENDITURES – GENERAL FUND



Rev \$321.17m  
-Exp \$342.70m  
Current Deficit= (\$21.53m)

Be aware of annual carryover process

Total Revenues \$321,169,275

Total Expenditures \$ 342,703,353

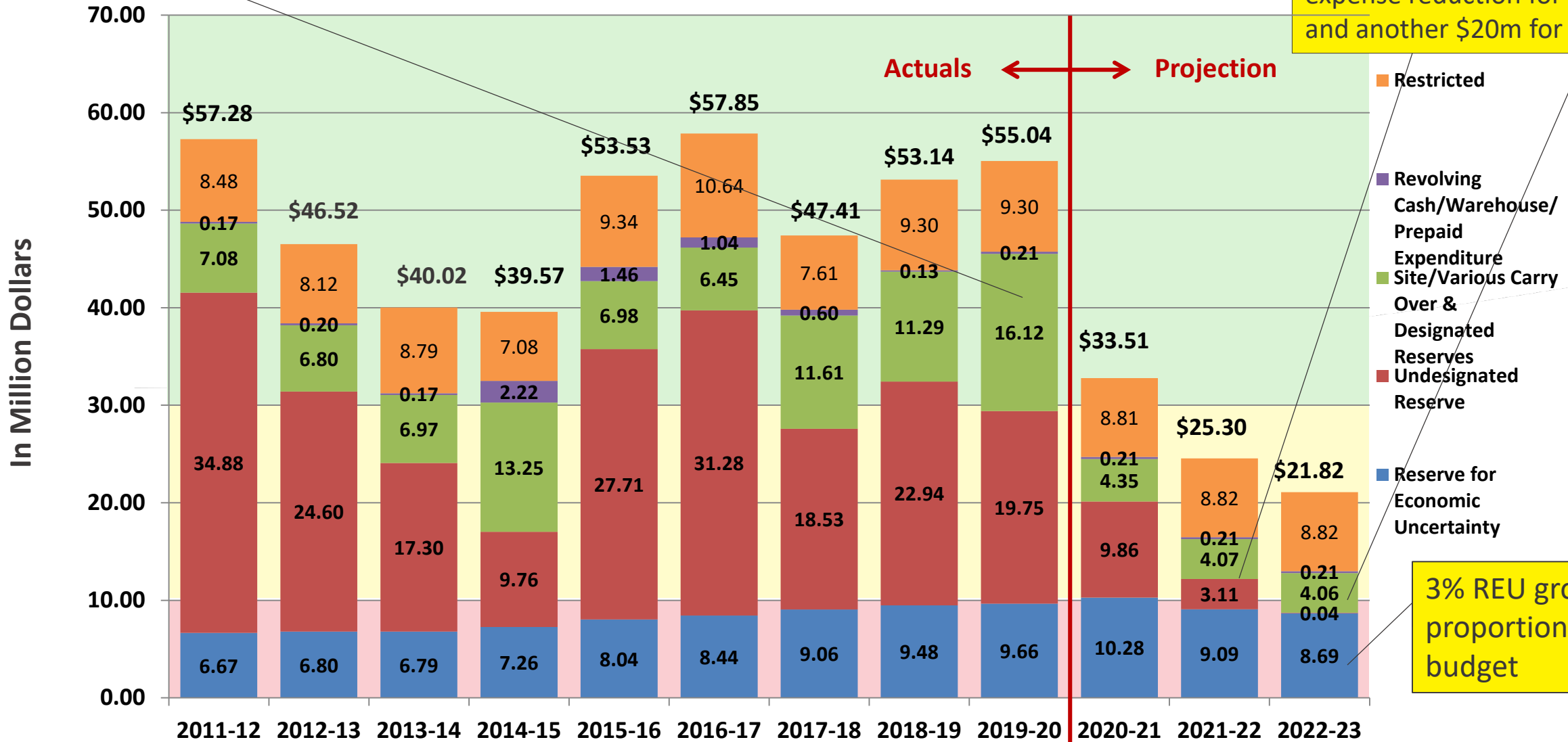


**Designated Reserves:**

- LACOE charges = \$0.56m
- Carry over/MAA = \$14.8m
- One Time 17-18 Disc. Fund = \$0.75m

# (12/15/20) 2020-21 First Interim Summary of General Fund Ending Fund Balances

Assumes \$12-15m ongoing expense reduction for 2021-22 and another \$20m for 2022-23



3% REU grows in proportion to total budget



## LCFF Supplemental Component

- 2020-21 LCFF = \$237.35 million
- Of this amount, \$22.68 million is the Supplemental portion, based on percent of the district students that are English learners, low-income and foster/homeless youth (currently 53.45%)

## LCFF Supplemental Component

- **These funds are used to improve services:**
  - Teacher specialists
  - Intervention programs
  - Additional psychologists
  - Additional mental health supports
  - Educ Assts for small groups
  - Foster/homeless counselor support
  - Summer school
  - Panorama survey
  - Translation services
  - Library/multimedia tech support
  - Professional development
  - Psychological service providers
  - Alternative education programs
  - Clark transportation
  - Elementary academic coaching
  - FLAG support
  - Healthy start
  - AP exam support



**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% = \$2.3m (Gov's January Proposal = 3.84%)	\$ 8,600,000
3. State/Federal	One-time funding that can be used to offset reductions	\$ 0
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
6. Benefits budget	Reduce annual increase in projected H&W rates from +8% (May 2021); 1% = \$300,000	\$ 0
7. Elementary	Adjust Teaching FTE by approx. 30 due to enrollment: 2020-21 (-2.3%) and est. for 2021-22 (-1.5%)	\$ 3,000,000
8. Middle School	Adjust Teaching FTE by approx. 3 due to enrollment: 2020-21 (-2.3%) and est. for 2021-22 (-1.5%)	\$ 300,000
9. High School	Adjust Teaching FTE by approx. 2 due to enrollment: 2020-21 (-2.3%) and est. for 2021-22 (-1.5%)	\$ 200,000
10. Classified	Adjust Classified staffing due to declining enrollment from 2020-21 and est. for 2021-22	\$ 720,000
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
13.		\$ 0
14.		\$ 0
15.		\$ 0
	Preview - AS OF 3/9/20	\$ 0
	<b>Total Needed = \$12,000,000+</b>	<b>Current Total = \$ 13,070,000</b>



# Budget Concerns

- Future LCFF Funding – Projected minimal COLAs, additional deferrals, cash flow, tax and revenue anticipation notes (TRANS)
- Enrollment, ADA and Unduplicated Pupil Percent (UPP)
- Special Education – Program Needs Increasing
- Health care contribution – +8% (+\$2.4m) potential cost increase every year
- Ongoing Impact of COVID-19 on 2020-21 and future budgets
- Potential territory transfer – est. negative impact of \$2.7m ongoing
- Fiscal Stabilization Plan for 2021-22 is \$12-\$15m, and another \$20m for 2022-23 – to prevent Unrestricted General Fund Balances going negative



## Factors That Could Improve Budget

- Prop 15 on November ballot – estimated to generate over \$12 million per year for GUSD starting with 2022-23 – **No**
- Economic recovery that leads to increased LCFF – **Yes**
- Continuation of ADA hold harmless – **No**
- Implementation of UPP% hold harmless – **No**
- Additional one-time State funds – **Yes**
- Additional one-time Federal funds – **Washington, D.C.**





## Next Steps

- March 9, 2021 – Approval of 2020-21 Second Interim Report and a Resolution for the 2020-21 Fiscal Stabilization Plan (FSP)
- March – May 2021 – Continue to monitor the Legislative actions and make adjustments as needed
- June 2021 – Adoption of the initial 2021-22 budget
- Preliminary review of the 2022-23 Fiscal Stabilization Plan (FSP)

# QUESTIONS?

## FOR MORE BUDGET INFO . . .

[WWW.GUSD.NET/BUDGET](http://WWW.GUSD.NET/BUDGET)

[WWW.ED100.ORG](http://WWW.ED100.ORG)

CALL OR EMAIL STEPHEN DICKINSON, CFO  
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