



# Sacramento City Unified School District 2020-2021 Budget Revisions

Board Meeting  
August 20, 2020  
Agenda Item No. 10.2

# Budget Revisions Presentation Agenda

- State Budget signed June 29, 2020
  - Three Key Items
    1. 0% COLA for LCFF Funds
    2. Additional Cash Deferrals and Projected Cash Flow
    3. Federal Funds
- Multi-Year Projections
- Fiscal Status
- Next Budget Update – September 2020

# 0% LCFF COLA

- Adopted budget based on a 2.3% COLA and a -10% deficit factor, effective COLA -7.92%
- State budget eliminated both the COLA and the deficit, leaving LCFF base funding rates flat
- Impact to District is projected revenue improvement

# 0% COLA

<b>Projected LCFF Funding per the 2020-2021 State Enacted Budget</b>				
LCFF COLA	2020-2021	2021-22	2022-23	
0% COLA	410,569,690	410,469,826	403,662,672	
May Revise 2.3% COLA and 10% deficit	379,071,064	378,590,692	376,294,525	
<b>Projected Difference</b>	<b>31,498,626</b>	<b>31,879,134</b>	<b>27,368,147</b>	

# Additional Cash Deferrals

- State budget increased the cash deferrals by approximately \$12 billion
- February through June for both fiscal years 2020-2021 and 2021-2022
- For the District this represents additional cash deferral of approximately \$36 million in 2020-2021 and \$30 million in 2021-2022.
- Decreases the District's projected cash balance at 6/30/21 by \$16M for a projected ending cash balance of -\$100M

# Additional Cash Deferrals

<b>Projected Cash Deferrals</b>	<b>20-21</b>	<b>21-22</b>	<b>22-23</b>
February 44.44% deferred to November	\$ 14,200,000	\$ 12,300,000	\$ -
March 66.67% deferred to October	\$ 21,200,000	\$ 18,400,000	\$ -
April 66.67% deferred to September	\$ 21,200,000	\$ 18,400,000	\$ -
May 66.67% deferred to August	\$ 21,200,000	\$ 18,400,000	\$ -
June 100% deferred to July	\$ 31,840,000	\$ 27,660,000	\$ -
<b>Total Projected Deferrals</b>	<b>\$ 109,640,000</b>	<b>\$ 95,160,000</b>	<b>\$ -</b>



# Federal Funds

Title	Amount	Allowable Uses	Time Constraints
Elementary and Secondary School Emergency Relief (ESSER)	1X \$15.8M Based on a proportionate share of 2019 Title 1 Part A Funds Funds received after expenditures are incurred.	<ul style="list-style-type: none"><li>• COVID-19 response activities</li></ul>	



# Federal Funds

Title	Amount	Allowable Uses	Time Constraints
<p><b>New Item</b>  <b>Governor's</b>  <b>Emergency</b>  <b>Education Relief</b>  <b>(GEER) and</b>  <b>Coronavirus</b>  <b>Relief Fund (CRF)</b>  <b>AKA Learning</b>  <b>Loss Mitigation</b>  <b>Funds</b></p>	<p>1X \$40.5M based on:</p> <ol style="list-style-type: none"> <li>1. 2019 Fall Count Special Ed Students</li> <li>2. Proportionate share of 2019-20 Supplemental &amp; Concentration</li> <li>3. Proportionate share of 2019-20 LCFF</li> </ol> <p>Funds received after expenditures are incurred.</p>	<p>Four general categories:</p> <ol style="list-style-type: none"> <li>1. Student Learning Supports</li> <li>2. General Measures that extend instructional time for students</li> <li>3. Additional core academic support for students who need it</li> <li>4. Integrated services that support teaching and learning</li> </ol>	<p>Expenses incurred on or after March 1, 2020 through December 30, 2020 for \$37.6M and Expenses incurred on or after March 1, 2020 through September 30, 2022 for \$2.8M</p>

# Revised Multi-Year Projections

# Fiscal Status: Remains Negative

1. Projected 2% Required Reserves not met after this year

	Proposed Revised 2020-21	Projected 2021-22	Projected 2022-23
Projected Unrestricted Ending Fund Balance	\$ 24,054,243	\$ (35,528,447)	\$ (122,249,651)
2% Required Reserve	\$ 12,618,505	\$ 12,169,649	\$ 12,295,895
Requirement Met	Yes	No	No

2. Projected Cash Flow negative starting in February 2021 and does not fully recover to a positive cash status

Running out of cash means fiscal insolvency

# District's Next Budget Dates

- September 2020 – Unaudited Actuals for 2019-2020 (Year-End Financial Statements)
- October 2020 – Revised Proposed District Budget for Fiscal Year 2021-2020

# Questions?