



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

Projected LCFF Funding per the 2020-2021 State Enacted Budget				
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	
Projected Difference	31,498,626	31,879,134	27,368,147	

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

Projected Cash Deferrals	20-21	21-22	22-23
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	\$ -
Total Projected Deferrals	\$ 109,640,000	\$ 95,160,000	\$ -

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">• COVID-19 response activities	

Federal Funds

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