



2023-24 Unaudited Actuals 2024-25 Budget Update

Board Meeting
September 19, 2024
Agenda Item No. 11.1

Presented by:

Janea Marking, Chief Business and Operations Officer
Cindy Tao, Interim Assistant Superintendent of Business Services

Building Equity Into The Foundation

SCUSD Core Value

We recognize that our system is inequitable by design and we vigilantly work to confront and interrupt inequities that exist to level the playing field and provide opportunities for everyone to learn, grow and reach their greatness.

SCUSD GUIDING PRINCIPLE

All students are given an equal opportunity to graduate with the greatest number of postsecondary choices from the widest array of options

Acronyms

ADA	Average Daily Attendance	LREBG	Learning Recovery Emergency Block Grant (1x)
CBA	Collective Bargaining Agreement	MYP	Multi-Year Projections
COLA	Cost of Living Adjustment	OPEB	Other Post Employment Benefits
CTEIG	Career Technical Education Incentive Grant (Ongoing)	P-2	Second Period Attendance Reporting Cycle
ELOG	Expanded Learning Opportunities Grant (1x)	PERS	California Public Employees' Retirement System
ELOP	Expanded Learning Opportunities Program (Ongoing)	S&C	Supplemental and Concentration (Ongoing)
EPA	Education Protection Account	SCOE	Sacramento County Office of Education
ESSER	Elementary and Secondary School Emergency Relief (1x)	STRS	California State Teachers Retirement System
IB	International Baccalaureate	SUI	State Unemployment Insurance
LCAP	Local Control Accountability Plan	UPK	Universal Prekindergarten Planning and Implementation Grant
LCFF	Local Control Funding Formula	UPP	Unduplicated Pupil Percentage

*1x indicates a one-time funding source

Jan

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Cindy

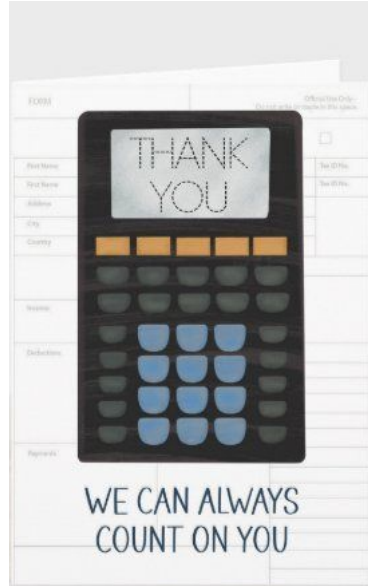
Mary Sanchez

MARINA OLSON
Shelley Peyer

Victoria Mena

Sandy Mantz

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Paola Lopez

Stem Members

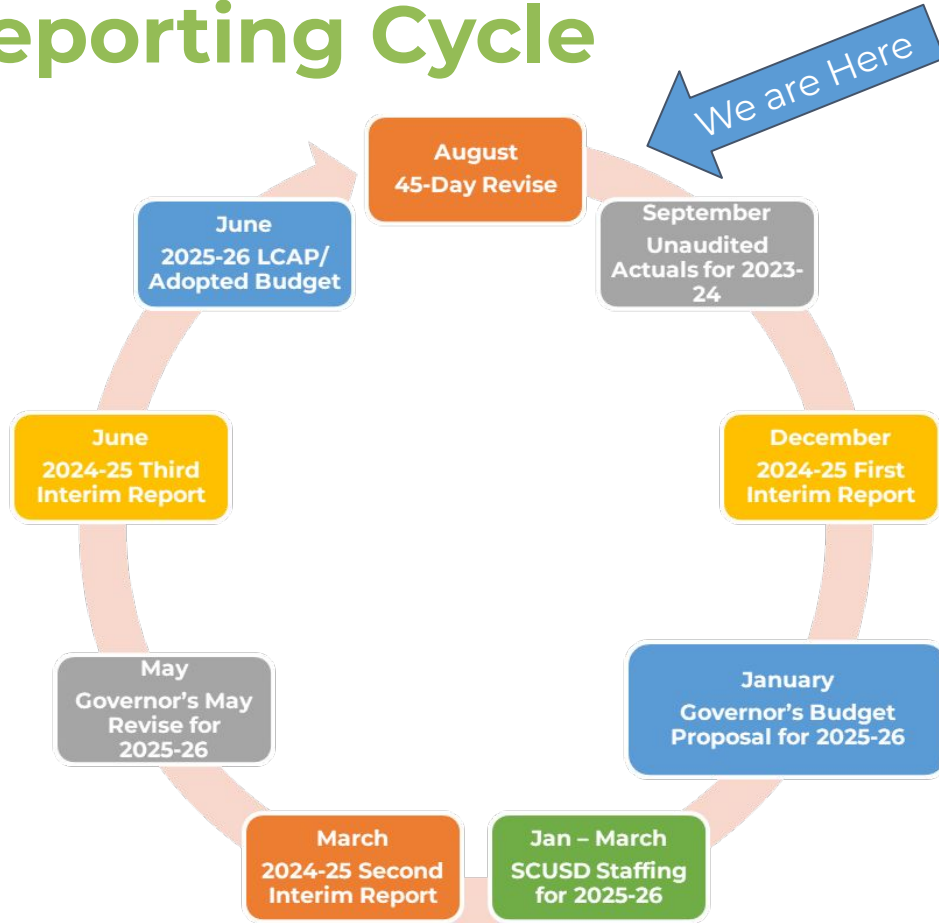
Nay Saee

Christian Ramirez

Agenda

- **2023-24 Unaudited Actuals**
- **2024-25 Budget Update**
- **Analysis**
- **Summary and Recommendation**

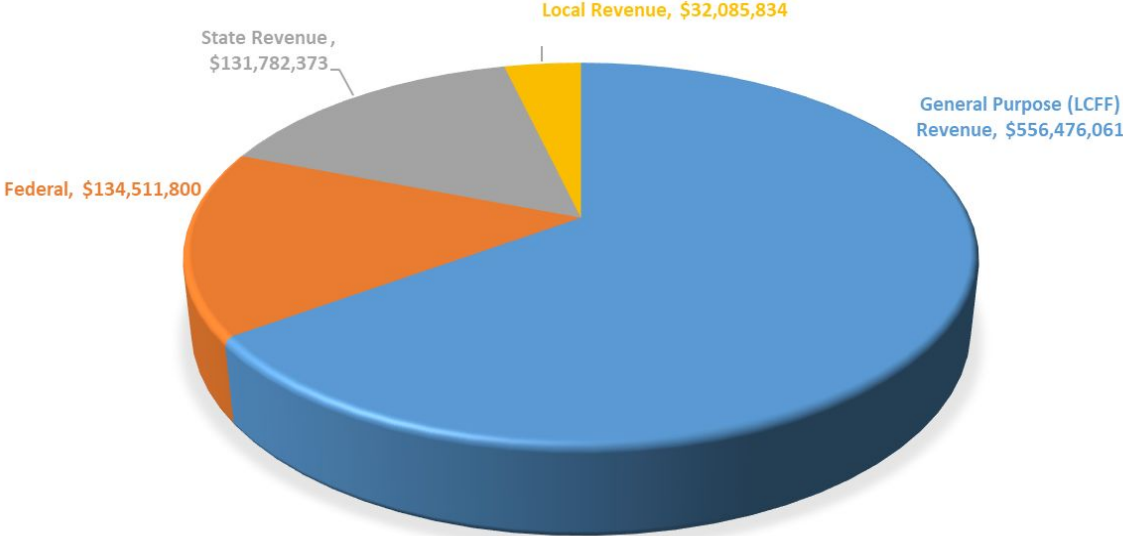
Budget Reporting Cycle



2023-24 Unaudited Actuals

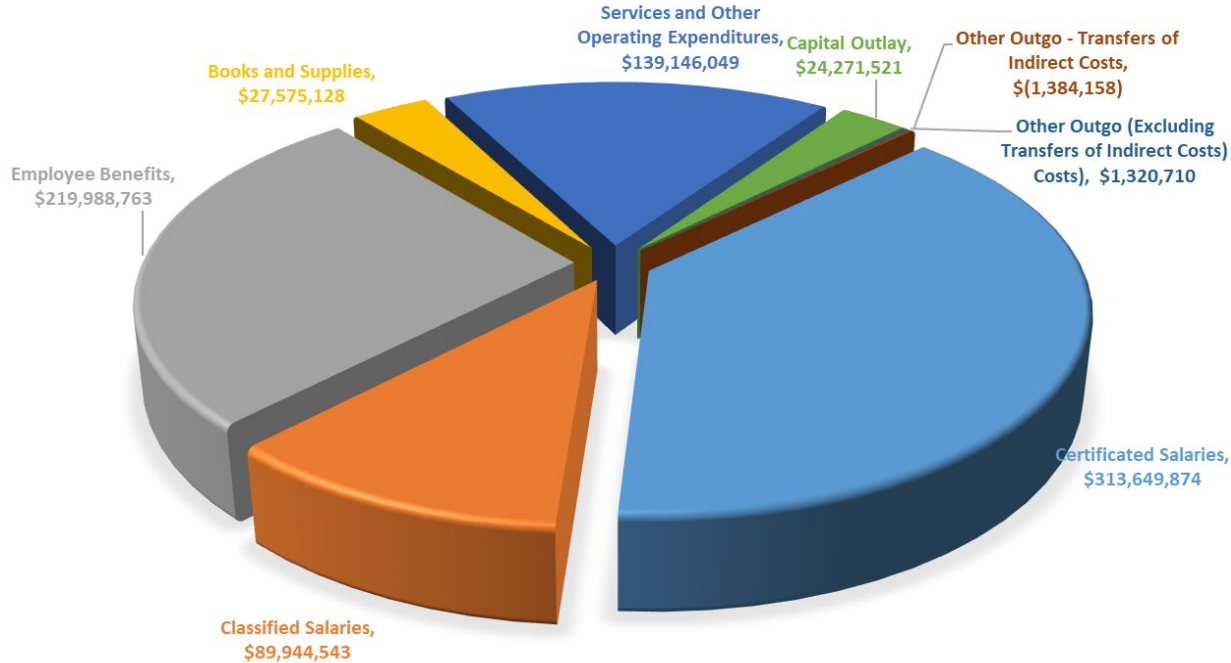
2023-24 Unaudited Actuals Revenues by Source

2023-24 Total General Fund Revenue

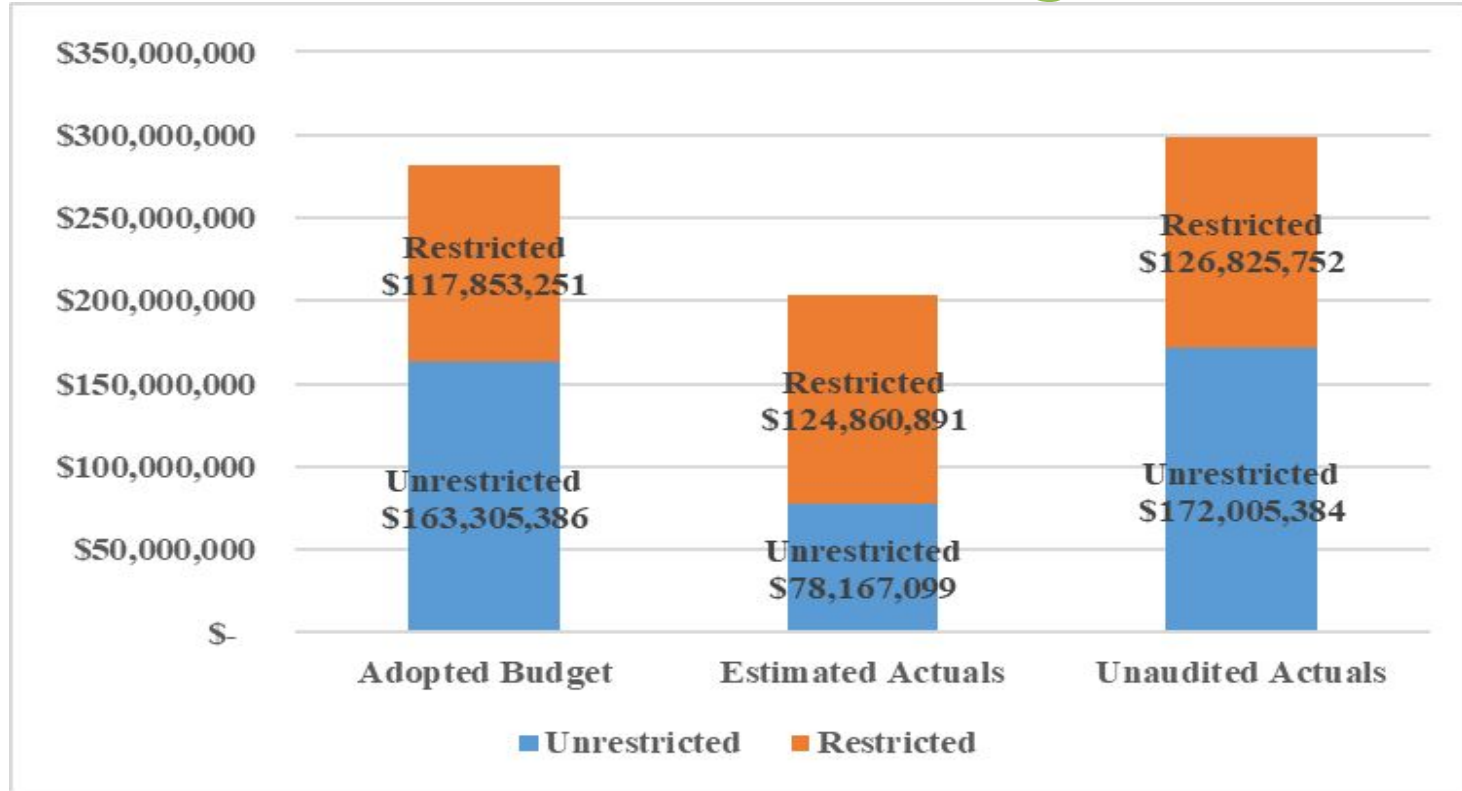


2023-24 Unaudited Actuals Expenditures by Source

2023-24 Total General Fund Expenditures



2023-24 Unaudited Actuals Ending Fund Balance



Unrestricted Summary Of Changes

- **LCFF Revenue Increase:** LCFF revenues have increased by \$41M, primarily due to the release of liability from the 2021-22 Instructional Penalty Liability Waiver.
- **Local Revenue Increase:** Local revenue saw a substantial increase, driven by an additional \$15.9M in interest revenue based on updated county treasury reports, along with higher collections for billable district expenditures.
- **Expenditure Increase:** Increased expenditures in certificated salaries reflect recent settlement agreements for 2022-23 and 2023-24.

Unrestricted Summary Of Changes (ctd)

- **Classified Salaries Decrease:** Classified salaries decreased by \$1.2M, reclassified to ESSER funds to maximize usage.
- **Benefits Reduction:** Benefits expenses reduced by \$4.1M, reflecting a negotiated reduction in certificated OPEB contributions, with an additional \$3.1M decrease due to ESSER reclassification related to salaries.
- **Books & Supplies Decrease:** Books and supplies expenses dropped by \$2.6M due to lower material usage at school sites and departments.
- **Services & Operating Expenses:** Services and operating expenses decreased by \$6.8M, largely from reductions in Special Education contract services and before/after school programs.

Unrestricted Summary Of Changes (ctd)

- **Capital Outlay:** Capital outlay decreased by \$1.6M, and \$681K was delayed primarily due to construction projects and bus purchases carried into 2024-25.
- **Indirect Costs:** A net change occurred in indirect costs due to actual charges made to programs based on year-end expenditures.
- **Transfers:** Changes in transfers were necessary to support Adult Education after the expiration of the Higher Education Emergency Relief Fund (HEERF)

Restricted Summary Of Changes

- **Federal Revenue Adjustments:** Federal revenues reflect a return of \$9.3M in unused 2021-22 funds to Title I. Additionally, \$8M has been reallocated from FEMA funds to an eligible capital projects. The remainder of the variance includes anticipated revenue from reimbursable grants, such as \$9.5M from the Special Education IDEA grant.
- **State Revenue Adjustments:** Changes in state revenue include a \$5M over-projection of Expanded Learning Opportunities Program (ELOP) funds, a \$356K reduction in the English Literacy grant, and an anticipated \$1M in revenue from the After School Education and Safety (ASES) program, as well as other minor state grants that have not yet been received.

Restricted Summary Of Changes (ctd)

- **Local Revenue Changes:** Decrease in restricted local revenues is attributed to adjustments in local grant funding allocated to school sites and departments.
- **Expenditure Increases:** Expenditures have increased due to recent settlement agreements impacting certificated salaries for 2022-23 and 2023-24, as well as staffing level increases.
- **Books & Supplies:** Books and supplies expenses have decreased by \$27M. This includes a reduction of \$11.6M in ESSER supplies and non-capitalized equipment, \$4.3M in instructional materials and supplies for Title programs, \$1.6M for ELOP, \$1.3M in restricted lottery, \$1.5M in CTE, \$1.3M for Title IV Part A SSAE, \$1M in CSI, and other restricted resources.

Restricted Summary Of Changes (ctd)

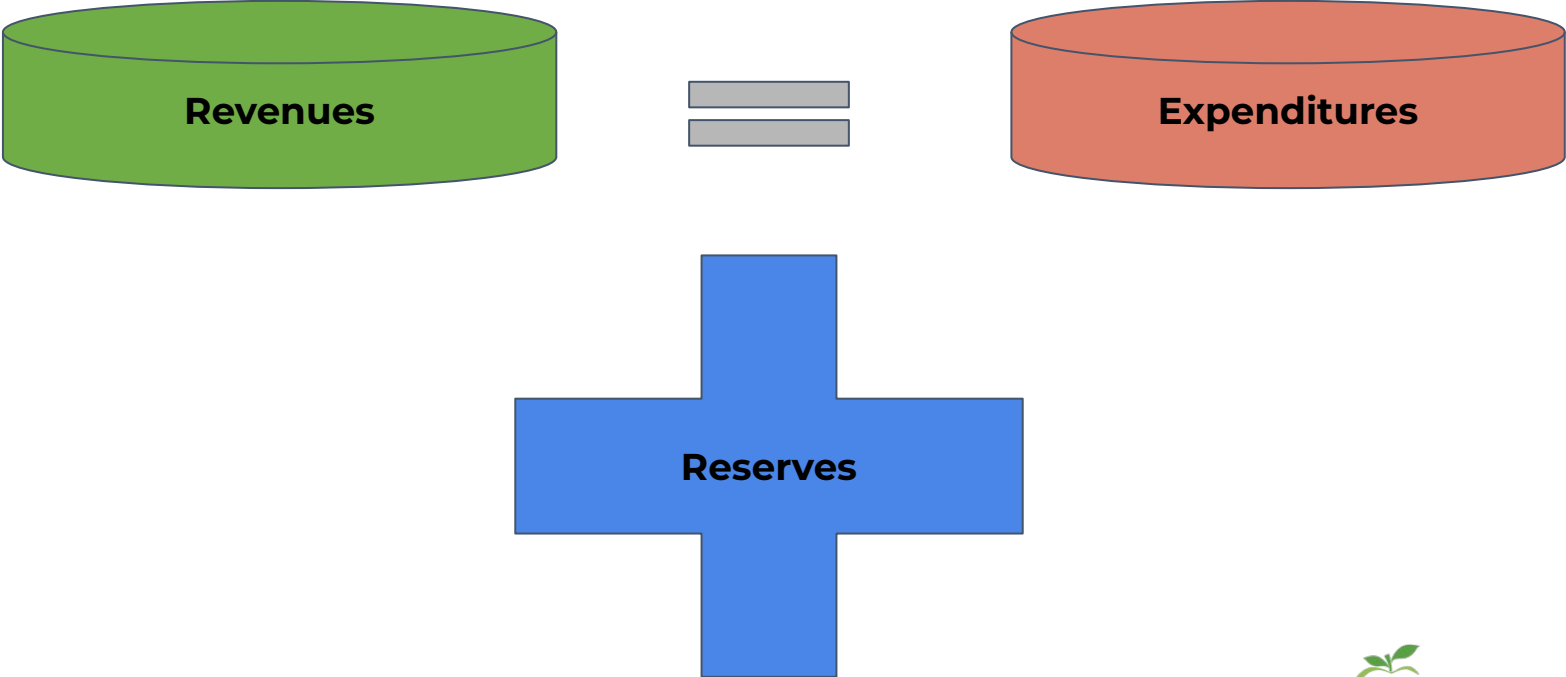
- **Services & Operating Expenses:** Services and operating expenses decreased by \$9.9M, largely due to reductions in contract services for Special Education and before/after school programs.
- **Other Outgo:** The variance in "Other Outgo" reflects a slight decrease of \$96K in special education excess costs for county programs.
- **Indirect Costs:** Net changes in indirect costs are due to actual indirect charges applied to programs based on year-end expenditures.

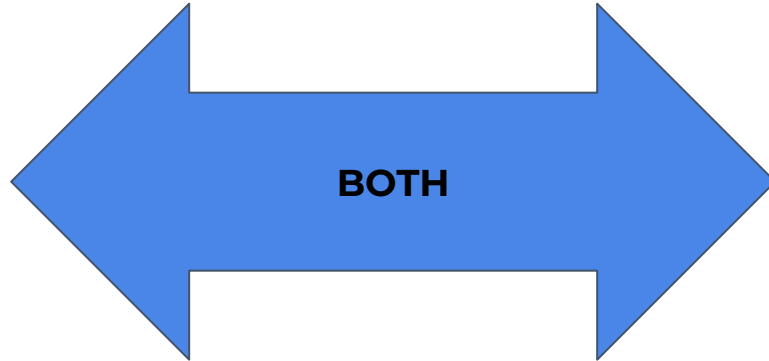
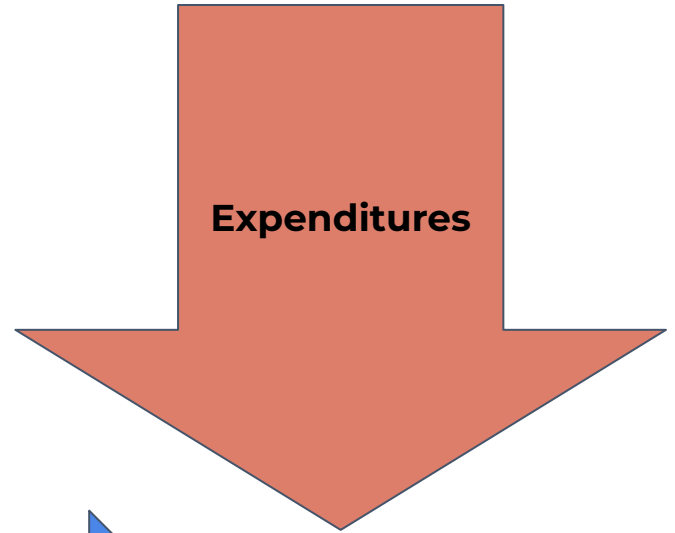
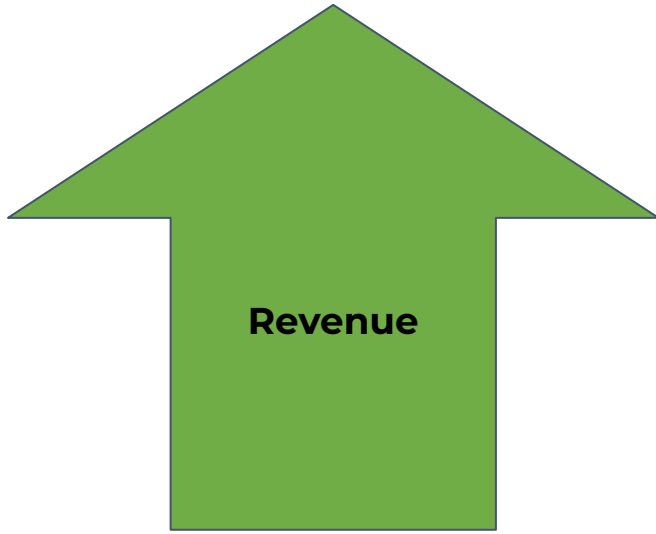
2024-25 Budget Update

45 Day Update

- State Budget Adoption Items Including LCFF / COLA Change
- Penalty | Agreement | 16 Days
- Negotiated Changes with SEIU **PENDING**
- Measure H Series B Issuance
- Right-Sizing Plan Implementation

What is Right-Sizing





Commitments

- 1 Prioritize People
- 2 Maximize Dollars
- 3 Fiscal Discipline
- 4 Transparency
- 5 Budget Literacy
- 6 The Work Must Be Done

Right-Sizing Plan Totals

Item	2024-25	2025-26	2026-27
Total Revenues	\$60.3M	\$17.4M	\$12.5M
Total Non-Staff Expenditures	\$8.25M	\$29.55M	\$50.75M
Total Staff Expenditures	\$3M	\$7.25M	\$8.5M
Total Recommendations	\$71.55M	\$54.2M	\$71.75M

2024-25 Updated Multi Year Projection

Sacramento City Unified School District 2024-25 Revised Budget

Description	Revised Budget 2024-25			Projection 2025-26			Projection 2026-27		
	Unrestricted	Restricted	Combined	Unrestricted	Restricted	Combined	Unrestricted	Restricted	Combined
Revenue									
General Purpose	487,433,290	2,688,061	490,121,351	443,518,594	2,688,061	446,206,655	456,475,526	2,688,061	459,163,587
Federal Revenue	-	33,016,186	33,016,186	-	42,316,186	42,316,186	-	42,316,186	42,316,186
State Revenue	17,003,334	113,182,286	130,185,621	17,003,334	113,182,286	130,185,621	17,003,334	113,182,286	130,185,621
Local Revenue	4,243,480	2,304,314	6,547,794	4,341,437	2,306,357	6,647,794	4,341,437	2,308,400	6,649,837
Total Revenue	508,680,104	151,190,848	659,870,952	464,863,365	160,492,891	625,356,256	477,820,297	160,494,934	638,315,231
Expenditures									
Certificated Salaries	212,511,583	93,073,188	305,584,770	217,268,150	87,634,287	304,902,437	221,698,469	88,397,678	310,096,147
Classified Salaries	59,174,106	42,276,886	101,450,992	59,334,177	37,906,667	97,240,844	58,769,228	38,819,019	97,588,246
Benefits	145,667,442	99,205,929	244,873,370	147,804,681	99,474,309	247,278,990	160,355,038	97,747,747	258,102,785
Books and Supplies	5,052,986	21,372,434	26,425,420	2,552,986	23,997,312	26,550,298	5,052,986	21,629,558	26,682,543
Other Services & Oper. Expenses	36,575,988	68,439,591	105,015,579	21,294,672	49,612,740	70,907,413	26,836,271	35,410,541	62,246,812
Capital Outlay	726,000	19,304,099	20,030,099	726,000	19,304,099	20,030,099	726,000	19,304,099	20,030,099
Other Outgo 7xxx	10,535	-	10,535	10,535	-	10,535	10,535	-	10,535
Transfer of Indirect 73xx	(6,377,293)	4,919,791	(1,457,502)	(5,212,360)	3,754,858	(1,457,502)	(5,963,056)	4,505,554	(1,457,502)
Budget Reductions	-	-	-	-	(1,979,189)	(1,979,189)	-	(4,034,426)	(4,034,426)
Total Expenditures	453,341,347	348,591,916	801,933,263	443,778,841	319,705,082	763,483,923	467,485,471	301,779,768	769,265,239
Deficit/Surplus	55,338,758	(197,401,069)	(142,062,311)	21,084,525	(159,212,192)	(138,127,667)	10,334,827	(141,284,834)	(130,950,007)
Other Sources/(uses)	-	-	-	-	-	-	-	-	-
Transfers in/(out)	3,005,447	-	3,005,447	3,005,447	-	3,005,447	3,005,447	-	3,005,447
Contributions to Restricted	(115,159,401)	115,159,401	-	(116,971,313)	116,971,313	-	(134,441,285)	134,441,285	-
Net increase (decrease) in Fund Balance	(56,815,196)	(82,241,667)	(139,056,863)	(92,881,341)	(42,240,879)	(135,122,220)	(121,101,011)	(6,843,549)	(127,944,560)
Beginning Balance	172,005,384	126,825,752	298,831,136	115,190,188	44,584,084	159,774,272	22,308,847	2,343,205	24,652,052
Ending Balance	115,190,188	44,584,084	159,774,272	22,308,847	2,343,205	24,652,052	(98,792,164)	(4,500,344)	(103,292,508)
Revolving/Stores/Prepays	-	-	-	-	-	-	-	-	-
Reserve for Econ Uncertainty	15,978,556	-	15,978,556	15,209,570	-	15,209,570	15,325,196	-	15,325,196
Restricted Programs	-	44,584,084	44,584,084	-	2,343,205	2,343,205	-	(4,500,344)	(4,500,344)
Committed	-	-	-	-	-	-	-	-	-
Other Assignments	-	-	-	-	-	-	-	-	-
Unappropriated Fund Balance	99,211,632	-	99,211,632	7,099,278	-	7,099,278	(114,117,359)	-	(114,117,359)

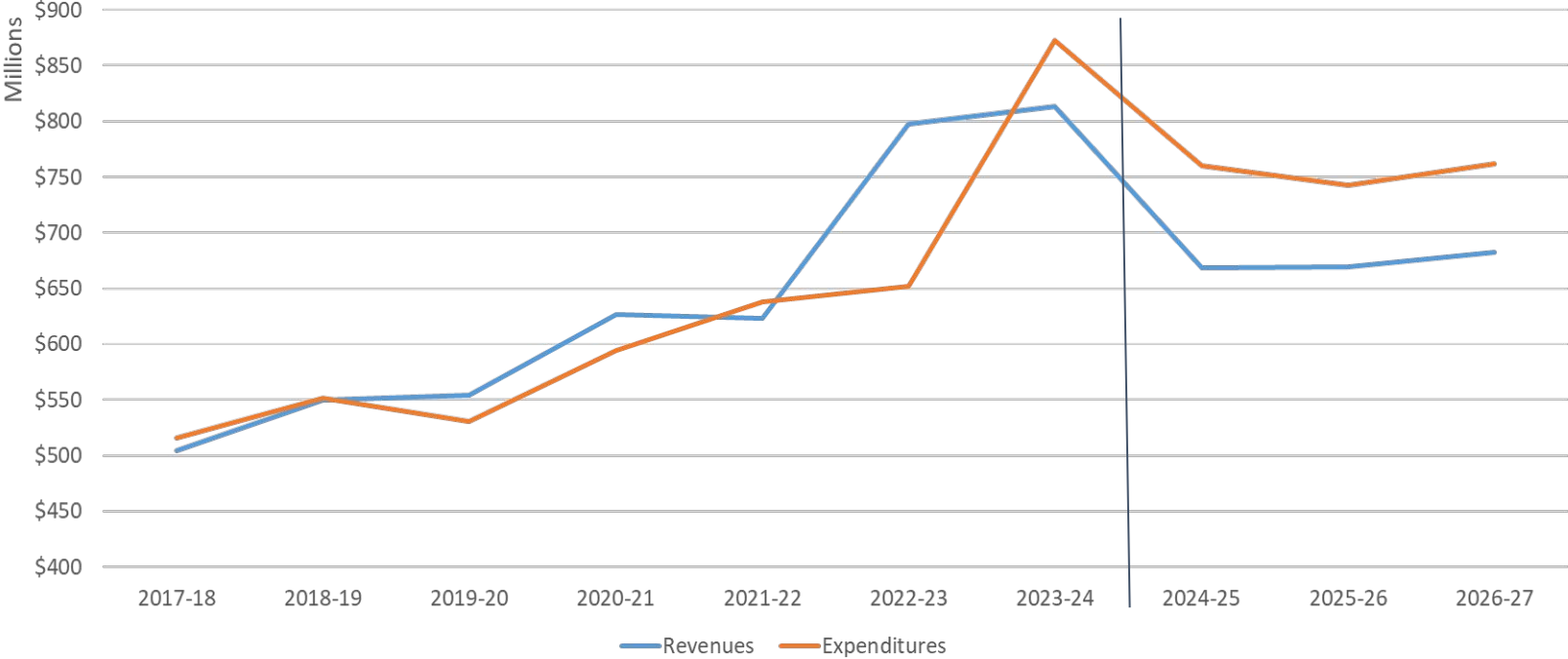


**These projections
are only as good
as our
commitments
to them**

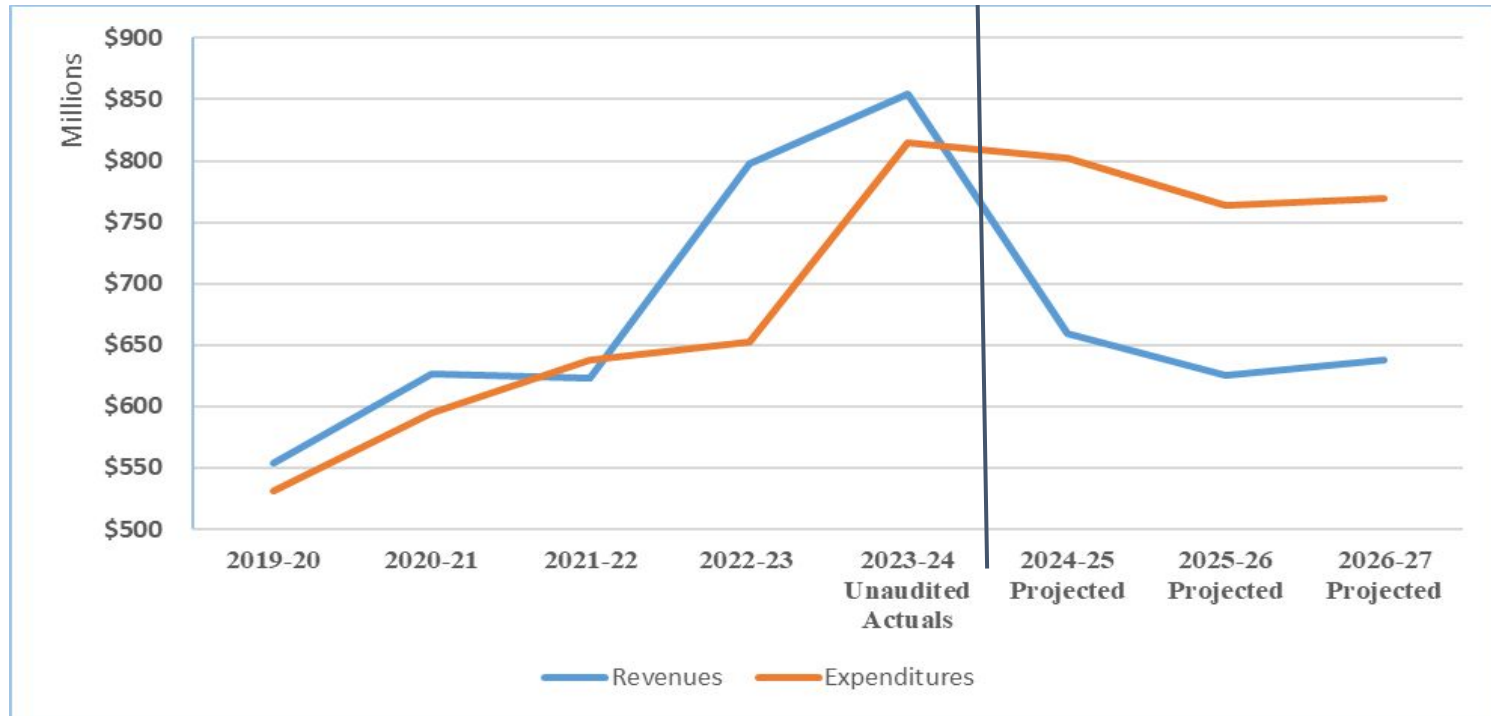
A look at the math



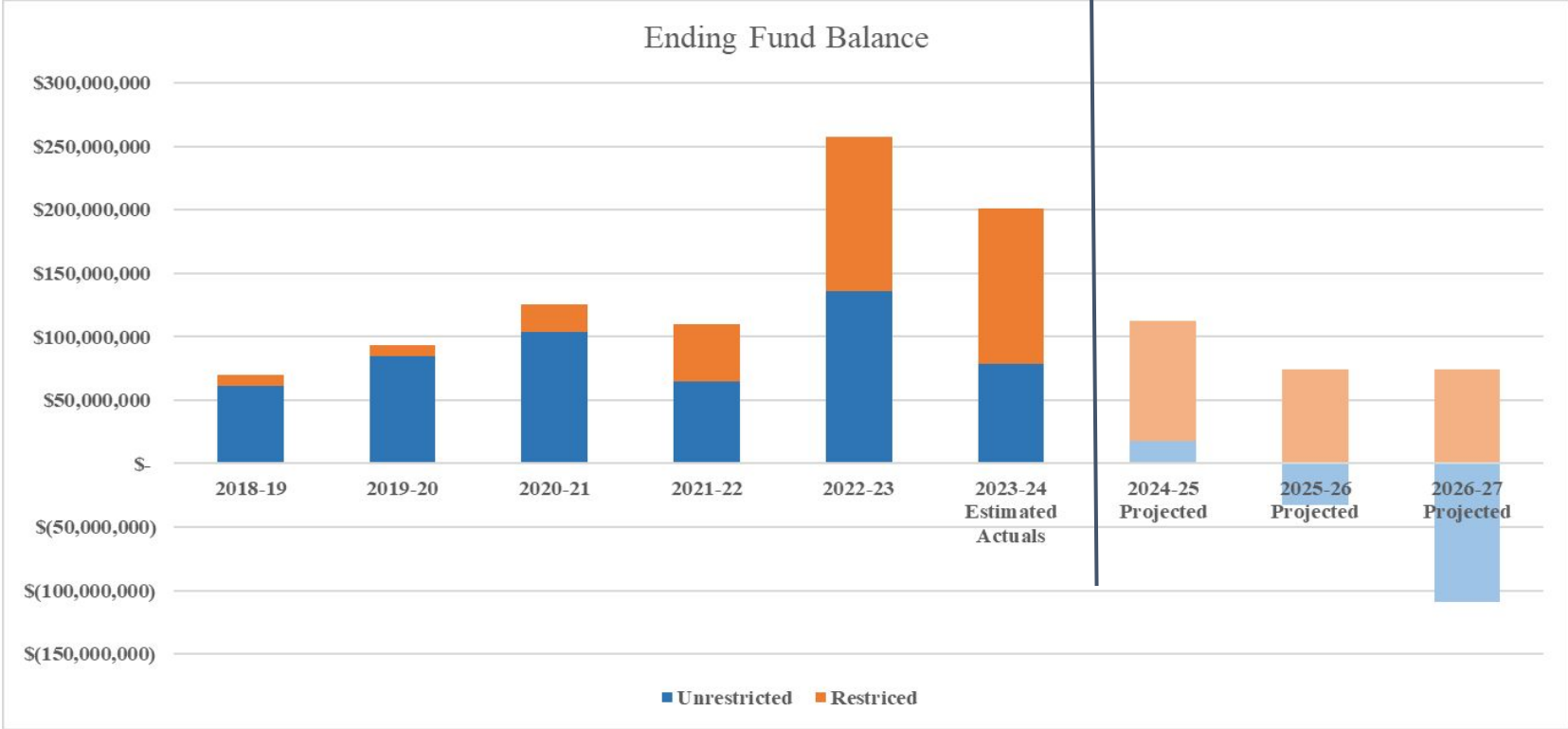
Multi-Year Comparison (Adopted Budget)



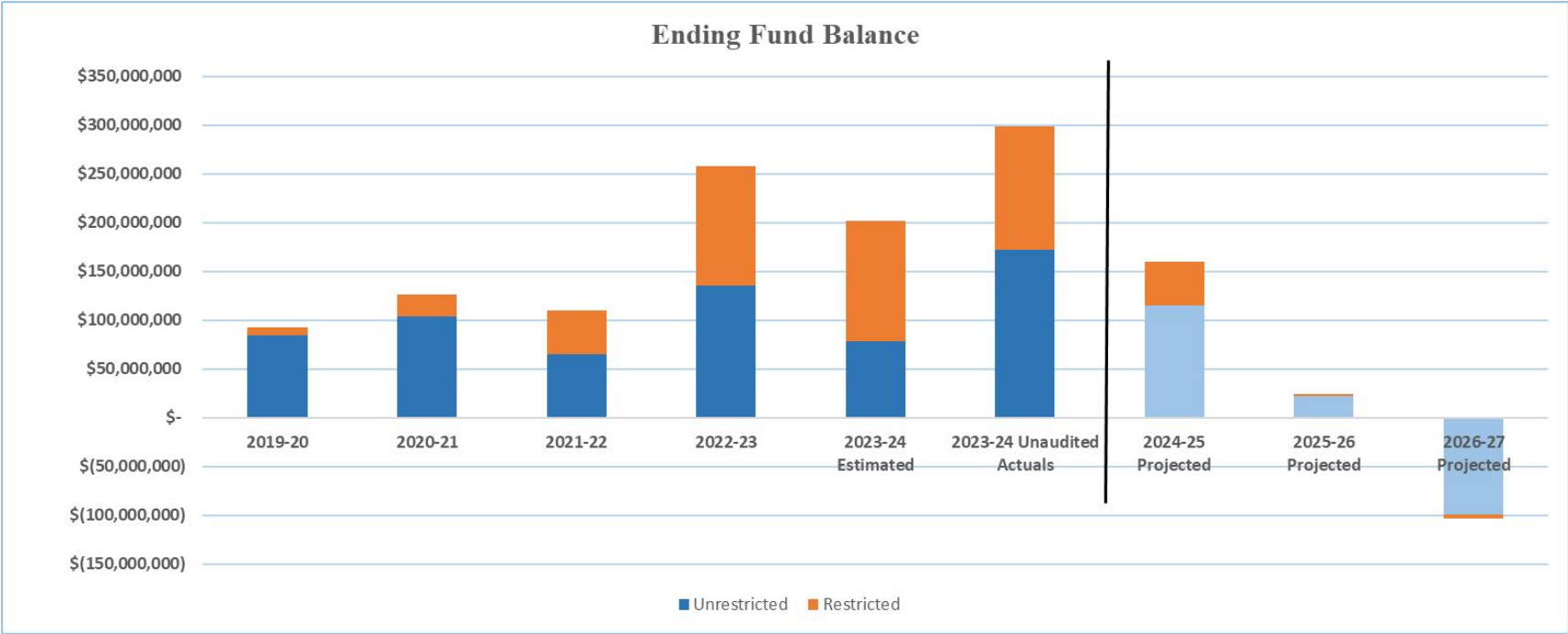
Multi-Year Comparison (Unaudited Actuals)



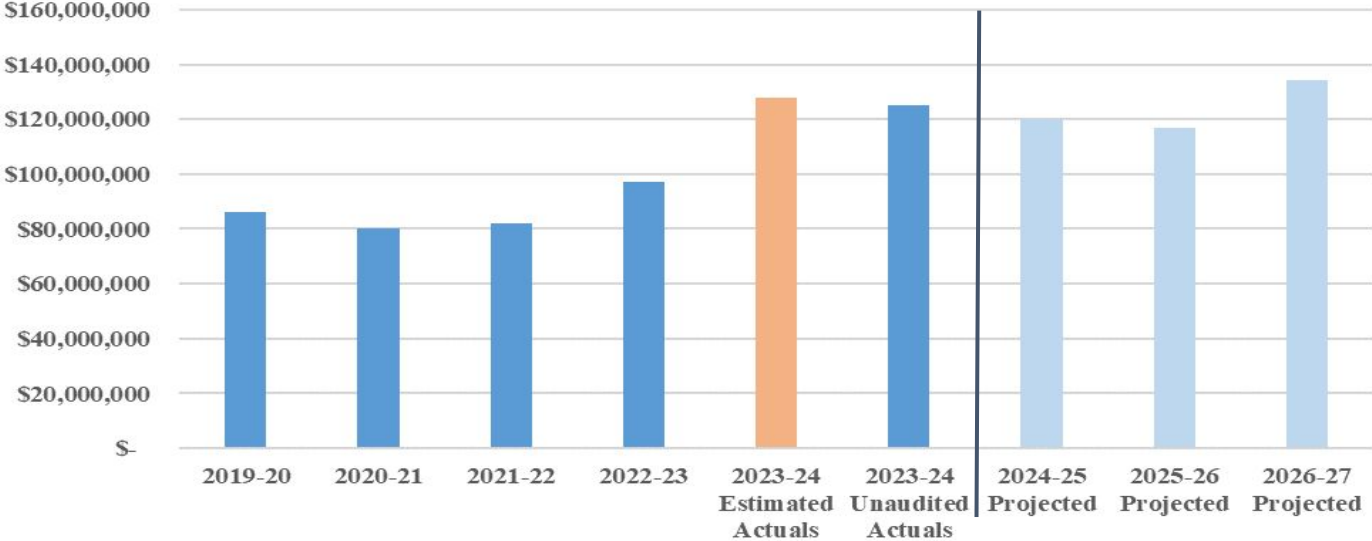
Multi-Year Comparison (Adopted Budget)



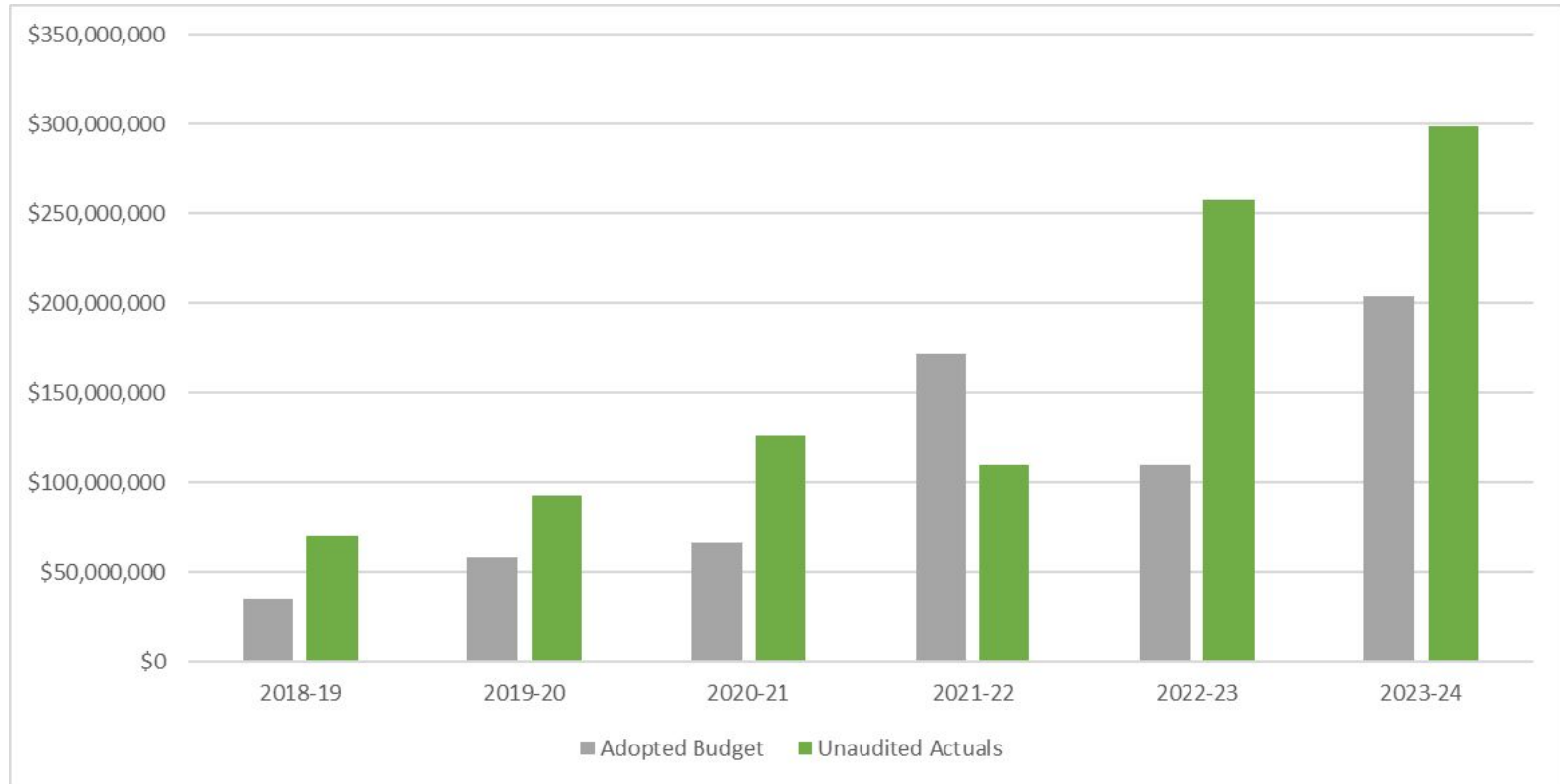
Multi-Year Comparison (Unaudited Actuals)



Contributions



Ending Fund Balance Comparison



Summary and Recommendation



Thank you!



Feedback



Questions?