

SACRAMENTO CITY UNIFIED SCHOOL DISTRICT BOARD OF EDUCATION

Agenda Item 11.2

Meeting Date: July 16, 2015

Subject: Approve 2015-16 District Budget Update and Revision-State Budget Approval

Information Item Only Approval on Consent Agenda Conference (for discussion only)

- Conference/First Reading (Action Anticipated: _____)
- Conference/Action
- Action
 - Public Hearing

Division: Business Services

<u>Recommendation</u>: Approve the 2015-16 district budget update and revision displaying the changes of the final state budget approval.

Background/Rationale: Education Code Section 42127(i)(4) requires districts to revise their budget "not later than 45 days" after the Governor signs the Annual Budget Act. The 2015-16 Budget Act was signed by the Governor on June 24, 2015. As such, SCUSD has until Saturday, August 8th, 2015, to submit a revised budget to the Sacramento County Office of Education. This Budget Revision reflects the impact of the Budget Act upon the district's budget.

Financial Considerations: The proposed revisions to the adopted budget for the general fund reflect the adjustments needed to bring the District's budget into alignment with the changes based on the Budget Act signed by the Governor on June 24, 2015, and all other expenditure and revenue data available to the District at this time.

LCAP Goal(s): Family and Community Engagement

Documents Attached:

- 1. Executive Summary
- 2. Budget Revisions
- 3. California Department of Finance regarding the 2015-16 Budget Act for K-12

Estimated Time: 15 minutes Submitted by: Gerardo Castillo, CPA, Chief Business Officer Michael Smith, Director Fiscal Services Approved by: José L. Banda, Superintendent

Business Services Approve2015-2016DistrictBudgetUpdateandRevision-StateBudgetApproval July16,2015

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In summaryour District lost\$411,674 due toshiftingfunds in order to support the Educator Support Initiative. The breakdown is:

Add Educator Support	\$2,732,184
Reduced LCFF ReducedOneTime	\$(1,046,008)
Discretionary Funds	\$(2,097,850)
Total Net Lost	\$(411,674)

However, our District already allocated \$450,000 ds for Beginning Teacher Support and Assessment (BTSA). Since the statendingfor the Educator Support programis very similar to BTSA, these funds became available to cover the host due to the final state budget. The District does not have to make any other reductions that were included in the adopted budget at Junth to 8 cover the loss of \$411,674. In addition, the shifting from unrestricted to restricted (Educator Supprom) ds in the final State Beget created a hole of \$3,143,858 (\$1,046,008 LCFF and \$2,097,850) no ediscretionary funds) because the District has already allocated those funds. In order to balance, the District took advantage of the flexibility created for the routine maintenances explained below.

x Routine Restricted Maintenance Contribution

The 201516 adopted budget from June ¹/₁8Board meeting included an estimated 3% required contribution or an increase of \$4,981,950 compared to the 20514 budget. The governots final state budgetallows flexibility to phase in the contribution (no less than 2 percent by 20187 and 3 percent by 202021) to routine maintenance account. These isionincludes an increase of \$11 hour instead of \$4.98 million at the Juneth Board meeting. The Routine Restricted Maintenance Account is \$10,292,258 for 20156.

x Emergency Repair Funds

During the June 4 and June 18 Board meetings, staff mendidmeet the state willcontinue funding the one time Emergency Repair Fouriers the governor objectives to pay the "the wall of debt"

Business Services Approve2015-2016DistrictBudgetUpdateandRevision-StateBudgetApproval July16,2015

III. Budget:

Business Services Approve2015-2016DistrictBudgetUpdateandRevision-StateBudgetApproval July16,2015

IV. Goals, Objectives and Measures:

Continueto provide information to the Board and the publicatimely manner including therequired 201617 budget calendated reporting periods such as First, Second Interim reports tinue improving budget development process to comply with Local Control Accountability Plan (auCAR) ntinue with the monthly budget committees

V. Major Initiatives:

- x Reworking the District chart of accountstrack supplemental and concentration expenditures
- x Fiscalstability for 2015-16 and outlying years
- x Utilizingfundsprudentlyandeffectively
- x Newfinancialsoftware

VI. Results:

Continued review and updates given to the Board, meet with staff and community regularly through LCAP process to obtain the information needed makeknowledgeable is caldecisions.

VII. LessonsLearned/NextSteps:

- x Continueto monitor the fiscalhealth of the district and the state
- x Work closely with the SacramentoCounty Office of Education and provide necessary information
- x Providea budget calendar for the 2016-17 fiscal year

SACRAMENTO CITY UNIFIED SCHOOL DISTRICT

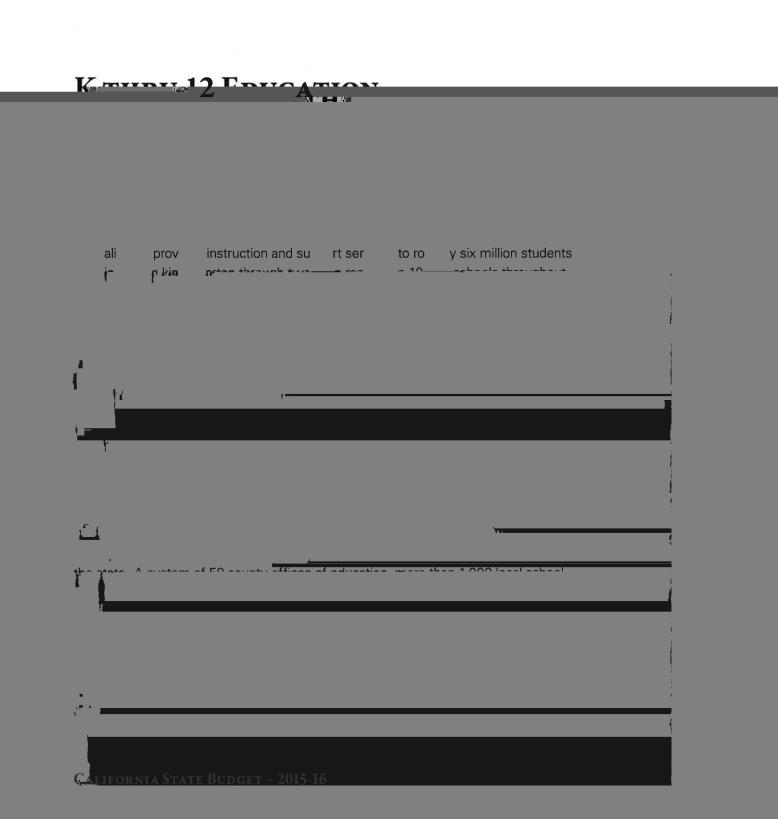
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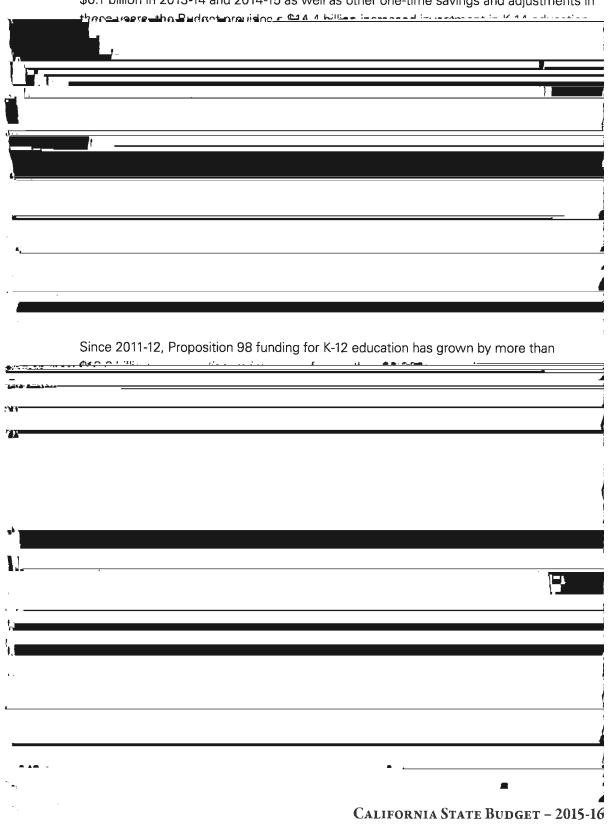
Edmund G. Brown Jr. Governor, State of California

INTRODUCTION

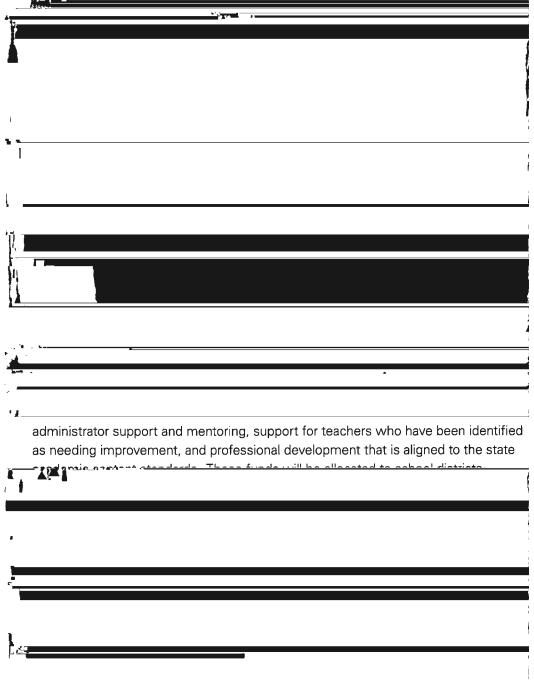
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K THRU 12 EDUCATION





\$6.1 billion in 2013-14 and 2014-15 as well as other one-time savings and adjustments in

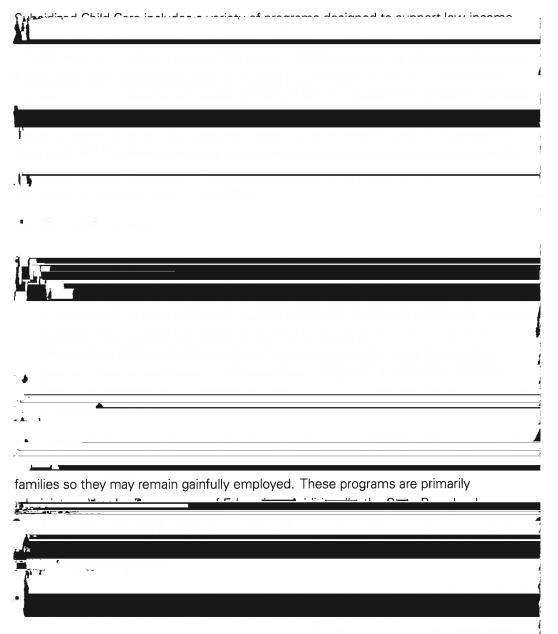


Adult Education

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			tion administered by school dis	
is program	will coordinate efforts o	of various entities	s—such as schools, communit	y

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Child Care and State Preschool



K THRU 12 EDUCATION

 Infant/Toddler Child Care Quality—A one-time grant of \$24.2 million General Fund to Quality Rating and Improvement System consortia to provide training, technical assistance, and resources to help infant and toddler child care providers meet a higher level of quality.