



SACRAMENTO CITY UNIFIED SCHOOL DISTRICT BOARD OF EDUCATION

Agenda Item# 11.1

Meeting Date: November 15, 2012

Subject: Business and Financial Information

- Information Item Only
- Approval on Consent Agenda
- Conference (for discussion only)
- Conference/First Reading (Action Anticipated: _____)
- Conference/Action
- Action
- Public Hearing

Division: Administrative Services

Recommendation: Receive business and financial information.

Background/Rationale:

- Cash Flow Report for the Period Ending September 30, 2012
- Investment Report as of September 30, 2012

Financial Considerations: Reflects standard business information.

Documents Attached:

- 1a. Executive Summary - Cash Flow Report for the Period Ending September 30, 2012
- 1b. Cash Flow Report for the Period Ending September 30, 2012
2. Investment Report as of September 30, 2012

Estimated Time of Presentation: N/A

Submitted by: Patricia A Hagemeyer, Chief Business Officer

Approved by: Jonathan P. Raymond, Superintendent

Board of Education Executive Summary

Administrative Services

Approve Cash Flow Report for the Period Ending September 30, 2012

November 15, 2012



I. Overview/History:

School districts in California have suffered devastating reductions in funding over the past several years. Cash reserves for most districts are low and Sacramento City Unified School District is no exception. The continued deferral of state revenues has impacted the district to the extent that staff project a negative cash flow in the General Fund by June 30, 2013. The review of cash flows have become more important than ever. At the January, 2012 Board meeting, a request by the Board was made to review system generated cash flow reports. Sample reports were brought to prior Board meetings. This cash flow report is brought forward as an information item under the Business and Financial section of the Board agenda. Staff will provide a cash flow report at the second Board meeting of every month.

The report is mostly self-explanatory. Receipts indicate cash that the district has received for the revenue limit, federal, state and local funds as well as transfers in from other funds. Disbursements reflect actual payments for salaries and benefits, supplies and services, capital outlay, interfund transfers out and other financing uses. Assets include accounts receivables which are funds owed to the general fund, prepaid expenditures and other types of assets. Liabilities include accounts payable which are funds that the district owes to other entities and other liabilities. The most important line to focus on is the ending cash bottom line. That reflects whether the district has sufficient cash to meet its needs or if we need to rely on other sources for cash. It has been normal in previous years to have deficits in November and December as the district awaits property tax revenues.

II. Driving Governance:

- Request by Board of Education to receive monthly cash flow reports.

III. Budget:

It is important to note that cash information is not the same as budget information. While the district may have a budget set up for a particular program, and funds may be expended, it is possible that the district hasn't yet received the cash from the granting agency. However, the majority of our cash issues are due to the deferral of state funds, which make up the majority of our overall revenues.

Board of Education Executive Summary

Administrative Services

Approve Cash Flow Report for the Period Ending September 30, 2012

November 15, 2012

IV. Goals, Objectives and Measures:

Provide cash flow information to the Board. In addition, this report will provide information related to the need for a borrowing instrument, such as a TRAN as a source of cash. The Sacramento County Office of Education reviews cash flow information to ensure that the district is able to pay its bills on June 30, 2013.

V. Major Initiatives:

- Maintain positive cash flow through June 30, 2013.
- Continuous review of financial options available to the district.

VI. Results:

Continuous review of cash flow information will inform the Board and public of cash flow issues.

VII. Lessons Learned/Next Steps:

- Cash flow reports will be provided monthly to the Board as an information item.

Fund 01 - Actuals through September		Fiscal Year 2012/13						
	Object	July	August	September	October	November	December	Total
A. BEGINNING CASH		9110	8,287,351.57	39,088,965.89	58,356,208.94			
B. RECEIPTS								
Revenue Limit								
Property Tax	8020-8079	340,172.63-	2,948.27	2,187.35				335,037.01-
State Aid	8010-8019	292,937.00	2,333,936.00	14,735,791.00				17,362,664.00
Other	8080-8099	29,190.82	50,183.00	701,254.09-				621,880.27-
Federal Revenues	8100-8299	18,301.89	16,060.22	84,737.78				119,099.89
Other State Revenues	8300-8599	75,291.05	762,843.00	13,417,107.31				14,255,241.36
Other Local Revenues	8600-8799	14,534.37	233,931.58	325,126.15				573,592.10
Interfund Transfers In	8910-8929							.00
All Other Financing Sources	8931-8979							.00
Other Receipts/Non-Revenue								.00
TOTAL RECEIPTS		90,082.50	3,399,902.07	27,863,695.50	.00	.00	.00	31,353,680.07
C. DISBURSEMENTS								
Certificated Salaries	1000-1999	1,568,055.67	2,930,668.09	14,558,138.77				19,056,862.53
Classified Salaries	2000-2999	2,647,938.56	3,205,926.32	4,003,102.73				9,856,967.61
Employee Benefits	3000-3999	1,743,664.74	2,471,759.84	9,678,645.98				13,894,070.56
Supplies and Services	4000-5999	3,970,923.35	4,434,337.20	2,756,467.17				11,161,727.72
Capital Outlays	6000-6599	21,358.27	23,481.25	27,535.00				72,374.52
Other Outgo	7000-7499		6,815.79-	20,155.92				13,340.13
Interfund Transfers Out	7600-7629							.00
All Other Financing Uses	7630-7699							.00
Other Disbursements/Non Expenditures								.00
TOTAL DISBURSEMENTS		9,951,940.59	13,059,356.91	31,044,045.57	.00	.00	.00	54,055,343.07
D. ASSETS/LIABILITIES/OTHER								
Assets								
A/R	9200	46,505,380.56	26,290,392.10	416,565.33				73,212,337.99
Cash Await	9215							.00
Prepays	9330							.00
Other		11,247,322.19	4,727,408.57	8,627,276.48				24,602,007.24
Liabilities								
A/P	9500	11,687,679.71-	2,088,850.41-	281.70				13,776,248.42-
Other		5,401,550.63-	2,252.37-					5,403,803.00-
TOTAL ASSETS/LIABILITIES/OTHER		40,663,472.41	28,926,697.89	9,044,123.51	.00	.00	.00	78,634,293.81
E. NET INCREASE/DECREASE								
B - C + D		30,801,614.32	19,267,243.05	5,863,773.44	.00	.00	.00	55,932,630.81
F. ENDING CASH (A + E)			39,088,965.89	58,356,208.94	64,219,982.38			

**Sacramento City Unified School District
Investment Summary
As of September 30, 2012**

	<u>Amount Invested</u>	<u>Estimated Annual Earnings</u>	<u>Investment Director</u>	<u>% Yield</u>
Sacramento County Pooled Investment Fund:				
General Fund	\$ 67,058,916	\$ 292,377	Sacramento County Investment	0.44%
Special Revenue Funds ¹	\$ 1,047,846	\$ 4,569	Sacramento County Investment	0.44%
Debt Service Fund	\$ 163,757	\$ 714	Sacramento County Investment	0.44%
Internal Service Funds ²	\$ 28,178,202	\$ 122,857	Sacramento County Investment	0.44%
Capital Project Funds ³	\$ 37,559,613	\$ 163,760	Sacramento County Investment	0.44%
Local Agency Investment Fund:				
2001 Investment Fund	\$ 902,655	\$ 3,159	LAIF	0.35%
Investment Agreements For:				
1996 Community Facilities District No. 1 Special Tax Bonds, Series C Refunding	\$ 2,828,869	\$ -	US Bank	0.00%
2001 COP - Serna Center/Refunding	\$ 2,791,250	\$ -	US Bank	0.00%
2002 Variable Rate Demand COP	\$ 141,258	\$ -	Wells Fargo	0.00%

This Portfolio is in compliance with the District's Investment Policy and the District expects that it can meet its expenditure requirements for the next six months.

¹ Includes Charter School, Adult Education, Child Development, Cafeteria and Deferred Maintenance Funds

² Includes Self Insurance and Retiree Benefits Funds

³ Includes Building, Capital Facilities and Mello-Roos Funds