



SACRAMENTO CITY UNIFIED SCHOOL DISTRICT BOARD OF EDUCATION

Agenda Item# 10.1

Meeting Date: February 1, 2024

Subject: 2024-25 Governor's Budget Proposal Update

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

Division: Business Services

Recommendation: Receive the budget update.

Background/Rationale: On January 17, 2024, Governor Newsom released the 2024-2025 State Proposed Budget including the proposals for TK-12 Education. The education world had been expecting the worst since the release of the LAO's economic forecast this past fall. However, the Governor's Budget benefits from historic rainy day funds to address spending levels that ultimately did not align with the level of revenues generated in 2022-23. While not projecting mid year cuts, deferrals, or unfunded COLAs, the proposals include a COLA (cost of living increase) below 1% and no relief for retirement contribution rates. Leilani Aguinaldo, Director of Governmental Relations at School Services of California, will provide an overview of the Governor's 2024-25 TK-12 education budget proposals to update the board on the new legislative budgeting cycle.

Financial Considerations: The Governor's Budget Proposal is an initial projection for the upcoming fiscal year. If the legislature adopts a COLA below 1%, 2024-25 district revenues will be negatively impacted as the prior estimate (before January) was a COLA of 3.94%.

LCAP Goal (s): College, Career and Life Ready Graduates; Safe, Emotionally Healthy and Engaged Students; Family and Community Empowerment; Operational Excellence

Documents Attached: N/A

Estimated Time of Presentation: 20 Minutes

Submitted by: Janea Marking, Chief Business & Operations Officer

Approved by: Lisa Allen, Interim Superintendent