

Agenda Item 9.2

Comments by David Fisher, President and Nikki Milevsky First Vice President of the Sacramento City Teachers Association (SCTA), to the Sacramento City Unified School District (SCUSD) Board of Education

December 10, 2020

For the last three years, this board, superintendent and SCOE have stated that the District is on the brink of insolvency. And yet the District today has a reserve fund of \$93 million, the highest in its history.

While nobody can be completely certain about future projections, we can all be 100% certain about what has occurred in the past. The facts are this school District has predicted massive deficits and consistently claimed that the district was in imminent danger of state takeover, yet we know, based on the district's own unaudited actuals, the District actually has run surpluses in 7 of the last 8 school years while building up the massive reserve.

When outside entities look at your projections, they use what turns out to be highly inaccurate projections to make recommendations. We now know, those projections have never been even close to accurate. Not once, not ever. Not in one single year for the past several years. In fact, your projections have been off by a total of \$126,742,579 in unrestricted funds alone since LCFF began in 2013.

Your insistence on painting the worst picture possible is exemplified by your self-certification of a Negative budget. Your own projections show a reserve fund balance at the end of this school year of nearly \$63 million and a projected more than \$24 million next year. While this projection, based on past history, is very likely much worse than what will actually happen, it still allows you to certify a Qualified Budget. Yet you erroneously self-certify as Negative. The definition of Negative being, "...based on current projections this district will be unable to meet its financial obligations for the remainder of the current fiscal year or the subsequent fiscal year." Clearly this is not what your own current projections show.

In addition, according to EdSource magazine, "In 'remarkable' turnaround, California schools can expect huge one-time windfall next year, LAO says."

This board should not take action tonight. Fortunately, in less than one month, we have three new school board members who will be helping to lead the district.

We look forward to working with the new school board to transform Sac City into a district that is fiscally well-managed with a priority to putting resources where they belong—in the classroom.