SACRAMENTO CITY UNIFIED SCHOOL DISTRICT
BOARD OF EDUCATION

Agenda Item# 11.1

Meeting Date: March 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 January 31, 2012

Financial Considerations: Reflects standard business information.
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Documents Attached:

1a. Executive Summary: Cash Flow Report for the Period Ending January 31, 2012
1b. Cash Flow Report for the Period Ending January 31, 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 January 31, 2012

March 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, 2012. The review of cash flows have become more important than ever. At the January 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 is the first cash flow report 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. An example of other liabilities is the repayment of the 2010-11 Tax Revenue Anticipation Notes (TRAN) in November for $50 million. 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. Without the 2010-11 TRAN, the district would not have had sufficient cash in the earlier months of 2011-12.

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

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IV. Goals, Objectives and Measures:

Provide cash flow information to the Board. In addition, this report provides information related to the need for a borrowing instrument, such as a TRAN as a source of cash. Throughout the discussion of the district's financial plan, staff along with the district's financial advisor from KNN, have closely monitored cash and the Board recently approved the issuance of a TRAN. The Sacramento County Office of Education reviews cash flow information to ensure that the district is able to pay its bills on June 30, 2012.

V. Major Initiatives:

- Maintain positive cash flow through June 30, 2012.
- 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 January	Object	July	August	September	October	November	December	Fiscal Year 2011/12
A. BEGINNING CASH	9110	**7,280,382.29**	**15,275,245.25**	**34,704,612.00**	**54,584,410.61**	**23,256,505.06**	**38,081,773.42-**	
B. RECEIPTS								
Revenue Limit								
Property Tax	8020-8079		14,567.41	682.05	438,787.48	6,307.15	1,983,637.01	
State Aid	8010-8019		8,200.00-	17,953,145.00		13,632,737.00	13,667,871.00	
Other	8080-8099	48,864.23	44,268.80-	136,283.55-	15,725.06-	59,531.32-	42,837.70-	
Federal Revenues	8100-8299		1,362,781.56	2,056,617.60	1,929,560.37	624,024.07	1,410,532.93	
Other State Revenues	8300-8599	706,181.20	3,043,424.70	9,879,887.00	9,509,253.00	5,516,494.09	8,183,450.24	
Other Local Revenues	8600-8799	54,169.88	201,945.48	1,378,226.57	1,034,140.20	566,611.82	641,216.85	
Interfund Transfers In	8910-8929							
All Other Financing Sources	8931-8979							
Other Receipts/Non-Revenue								
TOTAL RECEIPTS		809,215.31	4,570,250.35	31,132,274.67	12,896,015.99	20,286,642.81	25,843,870.33	
C. DISBURSEMENTS								
Certificated Salaries	1000-1999	1,570,676.48	3,303,812.28	15,806,702.80	16,318,389.52	16,680,673.04	16,507,809.91	
Classified Salaries	2000-2999	2,296,855.52	3,468,136.14	4,378,785.55	4,533,298.91	4,718,682.44	4,696,476.25	
Employee Benefits	3000-3999	1,883,830.29	2,753,576.34	10,112,029.97	10,421,713.99	10,592,856.57	10,621,926.01	
Supplies and Services	4000-5999	4,485,504.59	3,012,226.88	4,728,314.53	5,543,313.40	3,918,966.04	6,045,702.82	
Capital Outlays	6000-6599	7,467.50	12,995.51	267,976.47	116,353.40	35,909.94	611,597.54	
Other Outgo	7000-7499	34,899.09-	11,184.75-	70,149.56-	91,852.23-	82,728.19-	81,658.59-	
Interfund Transfers Out	7600-7629							
All Other Financing Uses	7630-7699							
Other Disbursements/Non Expenditures								
TOTAL DISBURSEMENTS		10,209,435.29	12,539,562.40	35,223,659.76	36,841,216.99	35,864,359.84	38,401,853.94	
D. ASSETS/LIABILITIES/OTHER								
Assets								
A/R	9200	21,622,959.02	21,662,894.40	12,717,792.16	1,058,854.16	21,221.20	166,977.08-	
Cash Await	9215							
Prepaids	9330							
Other		3,305,237.47	9,658,337.77	11,455,938.83	10,897,493.78	4,221,755.40	639,754.20	
Liabilities								
A/P	9500	7,533,613.55-	3,922,553.37-	202,547.29-	153,451.41-	3,538.05-	29,245.68-	
Other		500.00			19,185,601.08-	50,000,000.00-		
TOTAL ASSETS/LIABILITIES/OTHER		17,395,082.94	27,398,678.80	23,971,183.70	7,382,704.55-	45,760,561.45-	443,531.44	
E. NET INCREASE/DECREASE B - C + D		**7,994,862.96**	**19,429,366.75**	**19,879,798.61**	**31,327,905.55-**	**61,338,278.48-**	**12,114,452.17-**	
F. ENDING CASH (A + E)		**15,275,245.25**	**34,704,612.00**	**54,584,410.61**	**23,256,505.06**	**38,081,773.42-**	**50,196,225.59-**	

Selection Grouped by Org, Fund, Filtered by (Org = 97, Fiscal Year = 2012, Actuals Thru Period = 7, Fund = 01, Use SACS? = Y, Restricted? = Y, Cash JE Only? = Y, Separate? = N)

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Fund 01 - Actuals through January	Object	January	February	March	April	May	June	Total
								Fiscal Year 2011/12
A. BEGINNING CASH	9110	**50,196,225.59-**						
B. RECEIPTS								
Revenue Limit								
Property Tax	8020-8079	32,577,230.14						35,021,211.24
State Aid	8010-8019	38,141,638.00						83,387,191.00
Other	8080-8099	56,060.37-						305,842.57-
Federal Revenues	8100-8299	7,749,109.78						15,132,626.31
Other State Revenues	8300-8599	17,798,472.15						54,637,162.38
Other Local Revenues	8600-8799	87,884.73						3,964,195.53
Interfund Transfers In	8910-8929	1,000,000.00						1,000,000.00
All Other Financing Sources	8931-8979							.00
Other Receipts/Non-Revenue								.00
TOTAL RECEIPTS		97,298,274.43	.00	.00	.00	.00	.00	192,836,543.89
C. DISBURSEMENTS								
Certificated Salaries	1000-1999	16,635,401.40						86,823,465.43
Classified Salaries	2000-2999	4,689,616.47						28,781,851.28
Employee Benefits	3000-3999	10,596,906.98						56,982,840.15
Supplies and Services	4000-5999	3,158,411.93						30,892,440.19
Capital Outlays	6000-6599	167,758.76						1,220,059.12
Other Outgo	7000-7499	86,849.62-						459,322.03-
Interfund Transfers Out	7600-7629							.00
All Other Financing Uses	7630-7699							.00
Other Disbursements/Non Expenditures								.00
TOTAL DISBURSEMENTS		35,161,245.92	.00	.00	.00	.00	.00	204,241,334.14
D. ASSETS/LIABILITIES/OTHER								
Assets								
A/R	9200	205,178.56-						56,711,565.30
Cash Await	9215							.00
Prepaids	9330							.00
Other		276,787.32						40,455,304.77
Liabilities								
A/P	9500	1,919.05						11,843,030.30-
Other								69,185,101.08-
TOTAL ASSETS/LIABILITIES/OTHER		73,527.81	.00	.00	.00	.00	.00	16,138,738.69
E. NET INCREASE/DECREASE B - C + D		**62,210,556.32**	**.00**	**.00**	**.00**	**.00**	**.00**	**4,733,948.44**
F. ENDING CASH (A + E)		**12,014,330.73**						

Selection Grouped by Org, Fund, Filtered by (Org = 97, Fiscal Year = 2012, Actuals Thru Period = 7, Fund = 01, Use SACS? = Y, Restricted? = Y, Cash JE Only? = Y, Separate? = N)

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