



# Adopt Proposed 2020-2021 Budget

Board Meeting  
June 25, 2020  
Agenda Item No. 10.3

# Agenda

- Budget Agreement: Governor and Legislature
- Proposed 2020-2021 Budget
- Multi-Year Projections
- Summary
- Adopt 2020-2021 Budget

# Budget Agreement: Governor and Legislature

- 0% COLA, no deficit – *Good News*
- Offset is 4.5 months of cash deferrals of State Aid from February through June 2021 – *Negative Impact on CF*
- Federal funding based on: Special Ed, Supplemental AND Concentration funding, and LCFF – *Good News*
- August certificated layoff provision negated, and restrictions on classified layoffs

# State Budget Agreement

## What does this mean for SCUSD?

- Better than May Revise but it doesn't fix SCUSD's fiscal problem
- Definite details are not yet available but SSC did provide estimates on additional Federal Funds

One-Time Allocations Learning Loss Mitigation Funds	
Special Ed	12,421,907
Supplemental/Concentration	6,347,597
LCFF	21,019,602
<b>Projected Total</b>	<b>39,789,106</b>
source: SSC article 6/23/20	

# State Budget Agreement

## What does this mean for SCUSD?

- Unknowns for Learning Loss Mitigation Funds
  - Restrictions?
  - Spend date? 12/31/20?
  - Allocation date?
- Unknowns for LCFF
  - 0% COLA for 2020-21 only?
- Unknown Impact on Cash Flow
  - Above unknowns needed to provide accurate projected CF

# State Budget Agreement

## What does this mean for SCUSD?

- State budget to be enacted will still rely on additional information – July tax collections, and Federal aid provided
- District budget to be formally revised once the State budget is revised
  - **However, the District will continue to provide updates as more information becomes available**

# 2020-2021 Proposed Budget

- 2020-2021 Proposed Budget is a “tentative” budget
- Based on May Revise
- Enacted State Budget expected to differ from May Revise
- Budget (MYP & CF) updates to be provided as additional details become available
- Budget Revision expected in August or September

# Proposed 2020-2021 Unrestricted General Fund Multi-Year Projections

<b>Multi-Year Projection (Total GF)</b>			
<b>Description</b>	<b>Proposed 2020-21</b>	<b>Projected 2021-22</b>	<b>Projected 2022-23</b>
Total Revenues	533,413,450	500,705,413	498,717,119
Total Expenditures	604,020,245	598,897,358	609,133,057
Excess/(Deficiency)	(70,606,795)	(98,191,945)	(110,415,938)
Other Sources/Uses	1,603,767	1,603,767	1,603,767
<b>Net Increase/(Decrease)</b>	<b>(69,003,028)</b>	<b>(96,588,178)</b>	<b>(108,812,171)</b>
Add: Beginning Fund Balance	63,803,265	(5,199,762)	(101,787,940)
<b>Ending Fund Balance</b>	<b>(5,199,762)</b>	<b>(101,787,940)</b>	<b>(210,600,111)</b>



# Summary

- Based on Governor's May Revise
  - Cash flows shows positive cash through January 2021 and cash challenges starting February 2021
- Opportunities
  - Additional Federal Relief
  - Additional LCFF Funding
  - Improved State Economy
- Risks
  - Increased and continuing COVID-19 costs exceeding current funding relief sources
  - Unknown costs in re-opening schools and returning work force
  - Unknown impact on future health care costs

# Adopt the 2020-2021 SCUSD Budget