



Adopt Proposed 2025-26 Budget

June 26, 2025
Agenda Item No. 12.3

Presented by:
Cindy Tao, Assistant Superintendent of Business Services

Building Equity Into The Foundation

SCUSD Core Value

We recognize that our system is inequitable by design and we vigilantly work to confront and interrupt inequities that exist to level the playing field and provide opportunities for everyone to learn, grow and reach their greatness.

SCUSD GUIDING PRINCIPLE

All students are given an equal opportunity to graduate with the greatest number of postsecondary choices from the widest array of options

Acronyms

ADA	Average Daily Attendance	LCAP	Local Control Accountability Plan
ADC	Actuarially Determined Contribution	LCFF	Local Control Funding Formula
AMIM	Arts Music Instructional Materials Block Grant (1x)	LREBG	Learning Recovery Emergency Block Grant (1x)
CBA	Collective Bargaining Agreement	MYP	Multi-Year Projections
COLA	Cost of Living Adjustment	OPEB	Other Post- Employment Benefits
CTEIG	Career Technical Education Incentive Grant (Ongoing)	P-2	Second Period Attendance Reporting Cycle
ELOG	Expanded Learning Opportunities Grant (1x)	PERS	California Public Employees' Retirement System
ELOP	Expanded Learning Opportunities Program (Ongoing)	S&C	Supplemental and Concentration (Ongoing)
EPA	Education Protection Account	SCOE	Sacramento County Office of Education
ESSER	Elementary and Secondary School Emergency Relief (1x)	STRS	California State Teachers Retirement System
GFOA	Government Finance Officers Association	SUI	State Unemployment Insurance
FCMAT	Fiscal Crisis and Management Assistance Team	TIIG	Targeted Instructional Improvement Grant LCFF Add-On (Ongoing)
HTS	Home-To -School Transportation LCFF Add-On (Ongoing)	UTK	Universal Transitional Kindergarten (Ongoing)
IB	International Baccalaureate Program	UPP	Unduplicated Pupil Percentage

*1x indicates a one-time funding source

Agenda

- **Multi-Year Projections Summary**
- **Multi-Year Projections & Components of Ending Fund Balance**
- **Summary**
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Multi-Year Projection

2025-26 Proposed Budget Multi-Year Projections

Description	2025-26 Proposed Budget			2026-27 Projection			2027-28 Projection		
	Unrestricted	Restricted	Combined	Unrestricted	Restricted	Combined	Unrestricted	Restricted	Combined
REVENUE AND OTHER FINANCING									
LCFF/Revenue Limit Sources	485,862,174	2,688,064	488,550,238	494,380,583	2,688,064	497,068,647	510,199,348	2,688,064	512,887,412
Federal Revenues	-	52,969,003	52,969,003	-	39,910,921	39,910,921	-	39,910,921	39,910,921
Other State Revenues	12,464,964	116,141,142	128,606,106	12,464,964	114,147,432	126,612,396	12,464,964	114,147,432	126,612,396
Other Local Revenues	14,585,391	7,946,272	22,531,663	33,605,391	7,877,638	41,483,029	13,792,455	7,814,488	21,606,943
TOTAL REVENUES	512,912,529	179,744,481	692,657,010	540,450,938	164,624,055	705,074,993	536,456,767	164,560,905	701,017,672
EXPENDITURE AND OTHER FINANCING SOURCES									
Certificated Salaries	218,744,200	89,182,004	307,926,204	201,876,902	86,236,843	288,113,745	198,164,686	85,218,764	283,383,450
Classified Salaries	64,724,110	55,539,782	120,263,892	57,974,603	54,256,285	112,230,888	58,303,154	54,383,254	112,686,408
Employee Benefits	140,684,922	123,549,804	264,234,725	132,585,156	112,839,831	245,424,988	135,119,399	111,904,216	247,023,615
Books & Supplies	7,804,267	19,207,717	27,011,985	4,304,267	12,885,546	17,189,813	4,304,267	11,914,775	16,219,042
Services & Other Operating Expenses	28,936,153	34,865,144	63,801,296	21,086,153	28,129,649	49,215,802	21,086,153	42,344,796	63,430,949
Capital Outlay	1,684,909	7,069,361	8,754,270	1,684,909	3,229,758	4,914,667	1,684,909	2,545,190	4,230,099
Other Outgo (excluding Indirect Costs)	1,378,467	-	1,378,467	1,378,467	-	1,378,467	1,378,467	-	1,378,467
Other Outgo - Indirect Costs	(12,953,967)	10,719,860	(2,234,108)	(12,205,420)	9,971,312	(2,234,108)	(12,042,117)	9,808,010	(2,234,108)
TOTAL EXPENDITURES	451,003,061	340,133,672	791,136,732	408,685,037	307,549,224	716,234,261	407,998,918	318,119,004	726,117,922
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES BEFORE OTHER FINANCING SOURCES AND USES	61,909,468	(160,389,191)	(98,479,722)	131,765,901	(142,925,169)	(11,159,268)	128,457,849	(153,558,099)	(25,100,250)
OTHER FINANCING SOURCES/USES									
Interfund Transfers									
Transfers In	3,755,880	-	3,755,880	3,755,880	-	3,755,880	3,755,880	-	3,755,880
Transfers Out	-	-	-	-	-	-	-	-	-
Contributions	(147,081,944)	147,081,944	-	(144,834,870)	144,834,870	-	(145,131,380)	145,131,380	-
TOTAL OTHER FINANCING SOURCES/USES	(143,326,064)	147,081,944	3,755,880	(141,078,990)	144,834,870	3,755,880	(141,375,500)	145,131,380	3,755,880
NET INCREASE (DECREASE) IN FUND BALANCE	(81,416,596)	(13,307,246)	(94,723,842)	(9,313,089)	1,909,701	(7,403,388)	(12,917,651)	(8,426,719)	(21,344,370)
FUND BALANCE, RESERVES									
Beginning Fund Balance	105,635,230	89,749,302	195,384,532	24,218,634	76,442,056	100,660,690	14,905,545	78,351,757	93,257,302
Ending Fund Balance	24,218,634	76,442,056	100,660,690	14,905,545	78,351,757	93,257,302	1,987,894	69,925,037	71,912,931
Components of Ending Fund Balance:									
Non-spendable-Revolving Cash	150,000	-	150,000	150,000	-	150,000	150,000	-	150,000
Stores	103,265	-	103,265	103,265	-	103,265	103,265	-	103,265
Restricted	-	76,442,056	76,442,056	-	78,351,757	78,351,757	-	69,925,037	69,925,037
Reserve for Economic Uncertainties	15,822,735	-	15,822,735	14,324,685	-	14,324,685	14,522,358	-	14,522,358
Unassigned/Unappropriated	8,142,635	-	8,142,635	327,595	-	327,595	(12,787,729)	-	(12,787,729)
<i>Unappropriated Percent</i>			<i>1.023%</i>			<i>0.045%</i>			<i>-1.761%</i>

Multi-Year Projections & Components of Ending Fund Balance

Description	Proposed Budget 2025-26	Projected 2026-27	Projected 2027-28
Total Revenues	692,657,010	705,074,993	701,017,672
Total Expenditures	791,136,732	716,234,261	726,117,922
Net Increase/(Decrease)	(94,723,842)	(7,403,388)	(21,344,370)
Beginning Fund Balance	195,384,532	100,660,690	93,257,302
Ending Fund Balance	100,660,690	93,257,302	71,912,931
Nonspendable	253,265	253,265	253,265
Restricted	76,442,056	78,351,757	69,925,037
Assigned	-	-	-
2% REU	15,822,735	14,324,685	14,522,358
Unassigned/Unappropriated	8,142,635	327,595	(12,787,729)

- *Unassigned/Unappropriated amount is the ending fund balance less restricted funds, non-spendables, committed funds, assignments, and the 2% reserve for economic uncertainty

Summary

The District continues to face fiscal challenges due to declining enrollment, rising costs, and the phase-out of one-time funds.

While financial obligations are met for 2025–26, projections for 2026–27 and 2027–28 show ongoing structural deficits and growing reliance on reserves.

By 2027–28, the unrestricted fund balance is projected to turn negative, reinforcing the need for sustained fiscal planning.

The District maintains the 2% reserve for economic uncertainties and adequate cash through the multi-year period.

A right-sizing plan is underway to align expenditures with revenues and ensure long-term fiscal stability.



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