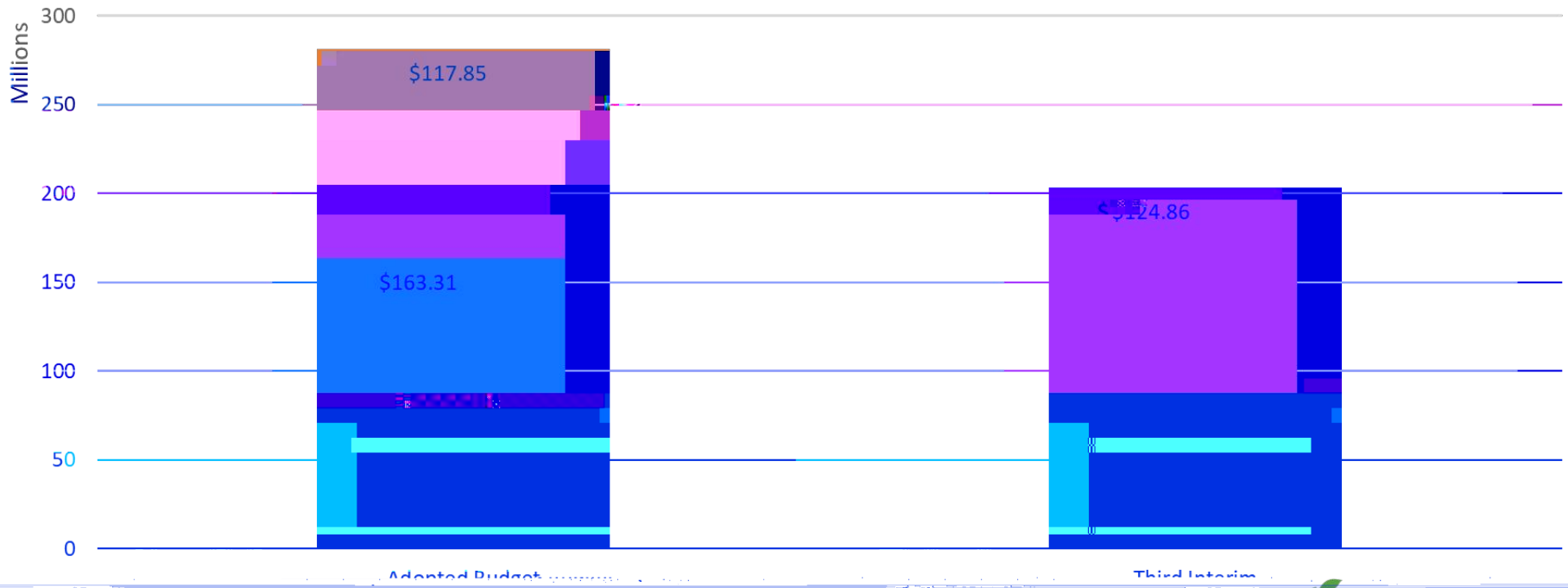


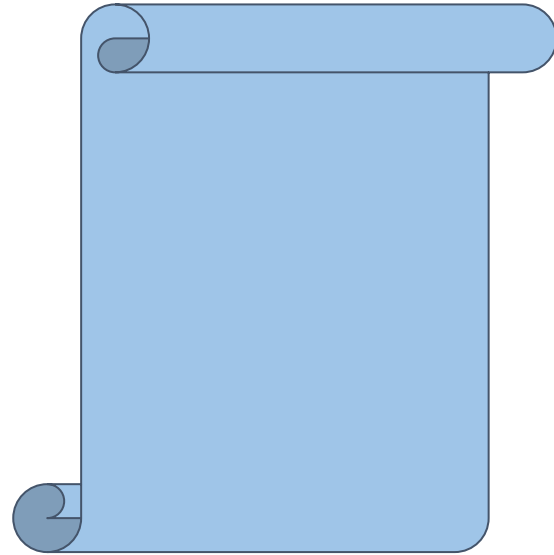
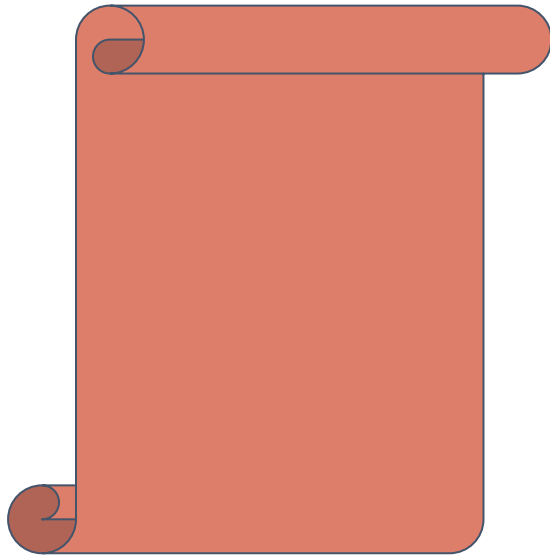


Total General Fund Revenue 2023-24 Third Interim





cted ■ Restricted







Governor Newsom released his proposed revised state budget on May 10th for the upcoming 2024-25 fiscal year and released additional information on May 14th. The California Department of Finance (DOF) projected a \$37.9 billion deficit in January. Fortunately, the State implemented early actions to shrink the budget shortfall by \$17.3 billion; otherwise, the budget problem would have been worse. However, due to lower-than-expected revenues in the last few months, the budget shortfall increased by \$7.0 billion from January resulting in a \$27.6 billion deficit.

The Governor is maintaining his position of protecting K-14 education from on-going reductions (i.e. mid-year reductions, eliminating programs, etc.) by proposing the following actions:

- Continue to utilize a change in accrual and accounting method referred to as the “Proposition 98 Funding Maneuver”.

- Increase the utilization of funds from the Proposition 98 Rainy Day Fund. Withdrawing \$5.8 billion in 2023-24 and \$2.6 billion in 2024-25.



In addition, except for applying COLA to eligible programs, there are no funding changes from what was proposed in January relating to the following programs:

Expanded Learning Opportunities Program



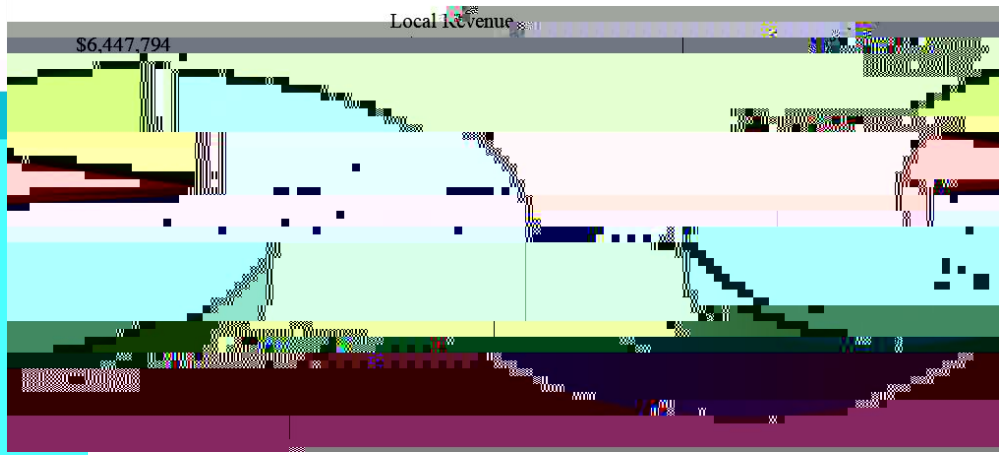
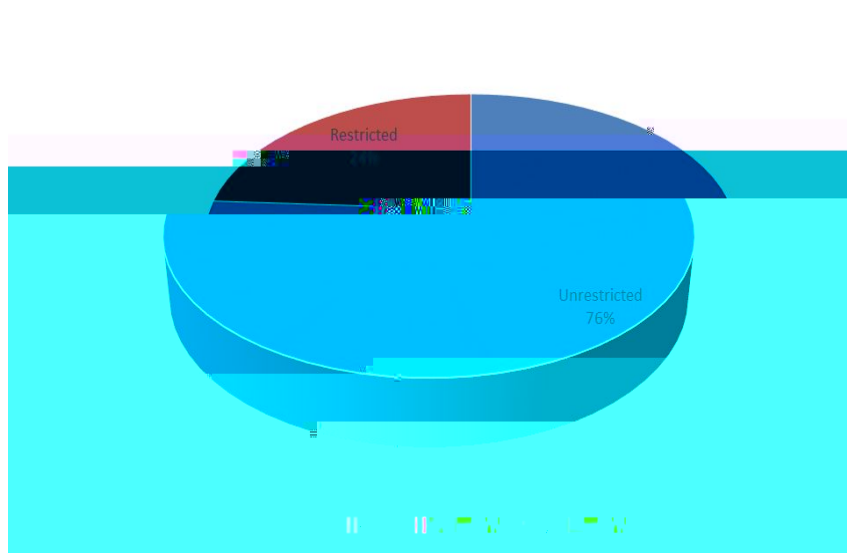
However, the Governor does propose the following one-time education reductions in order to balance the budget:

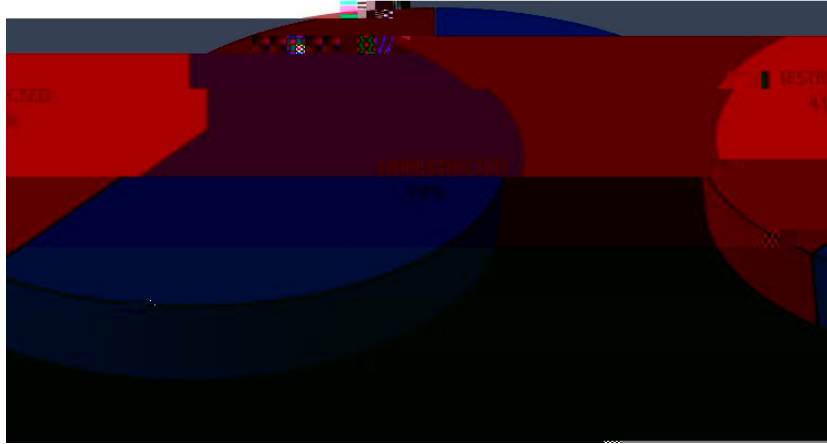
Reducing \$485 million of one-time, unspent funds.

Eliminating one-time support for the

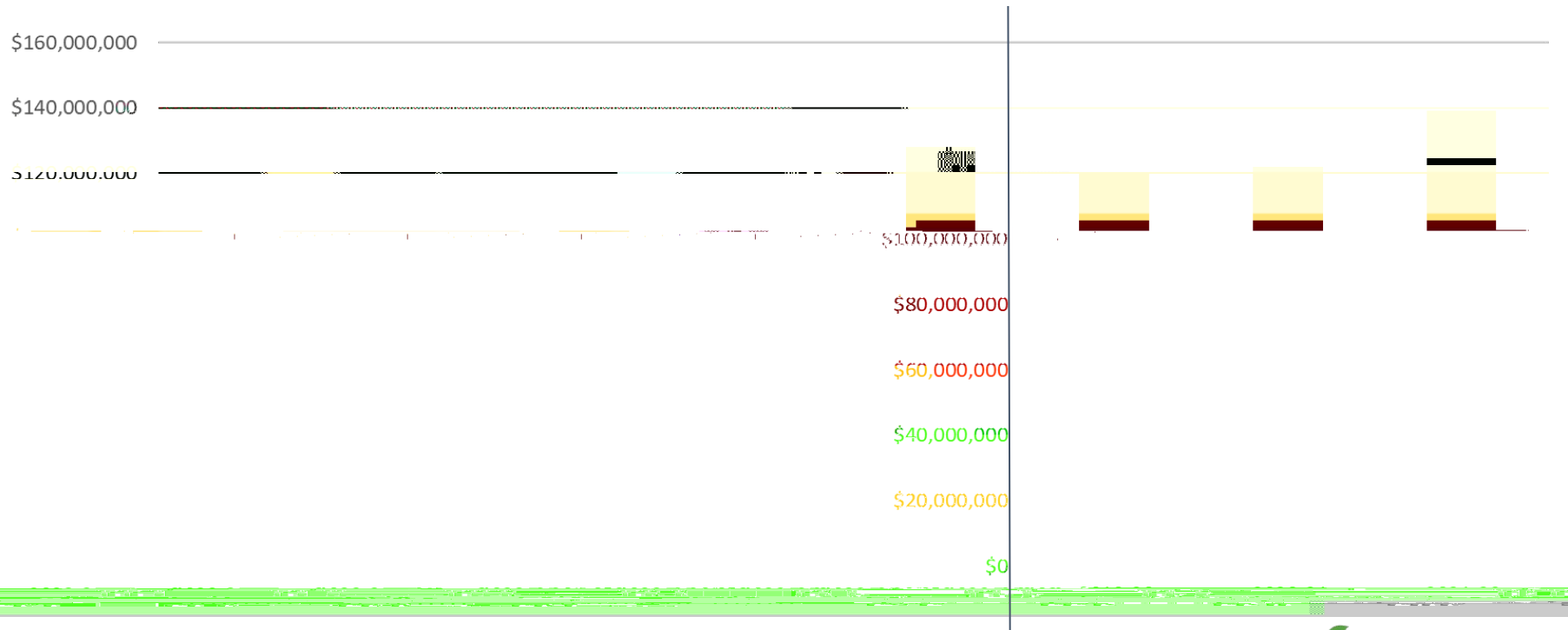












From Sacramento County Office of Education
April 16, 2024

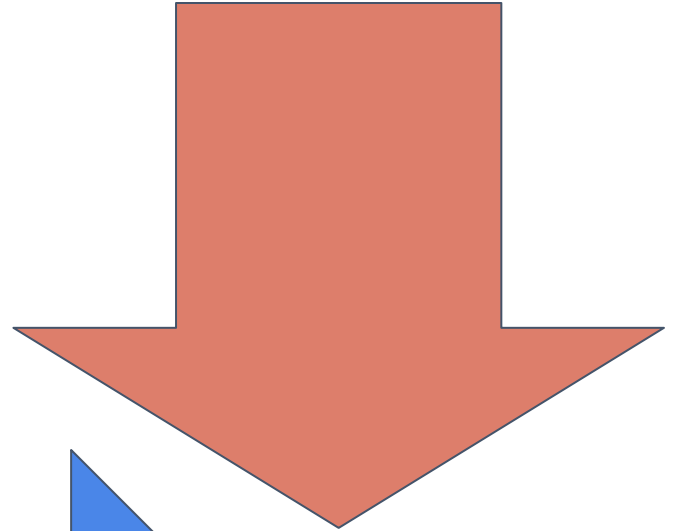
In our March 5, 2024 letter to the district, we acknowledge that district staff are working on budget adjustments to address the district's projected deficits, such as transferring expenses to restricted funding sources and identifying other areas of savings.

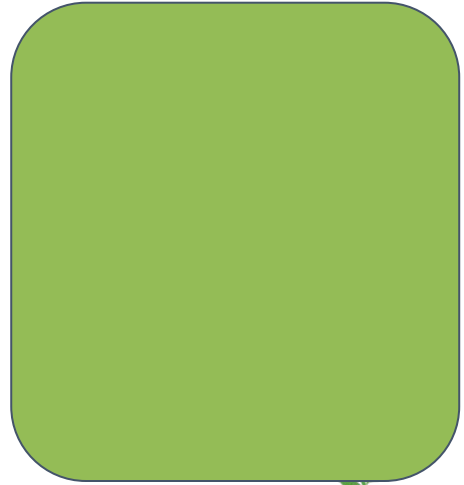
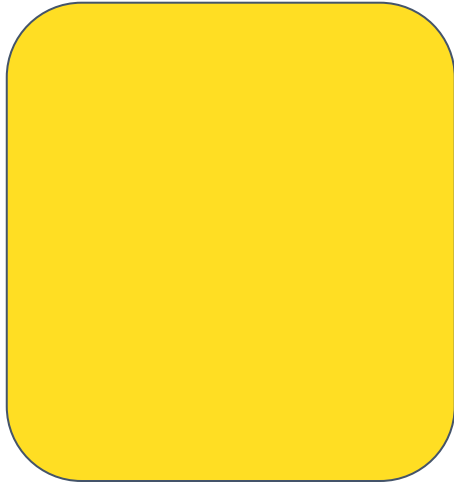
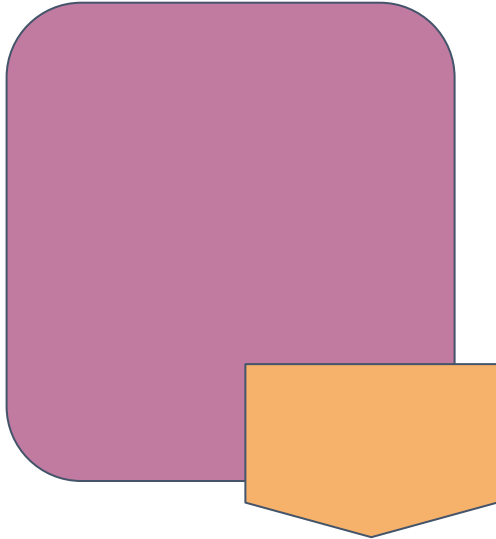
Emphasis per original









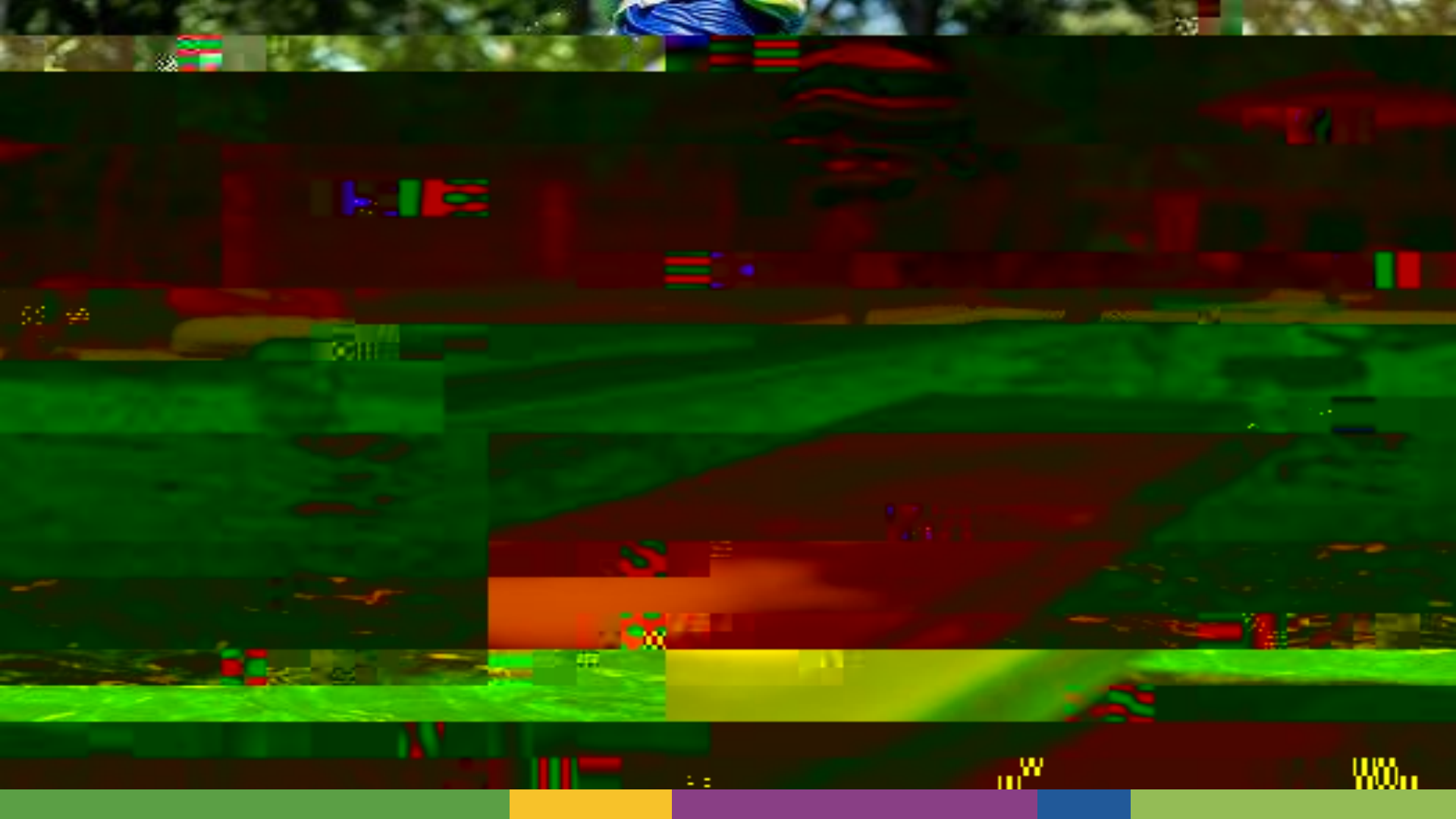


This is
to classrooms or student programs.

Providing _____ that can
maximize dollars through organizational efficiencies.

We are an organization of talent.
This is a





Need for Budget Literacy

Dependent on Contracts

Dependent on Exceptions

Lack of Compliance Accountability (unauthorized)

Unbudgeted Expenditures

Need for Internal Controls



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Có

A ó

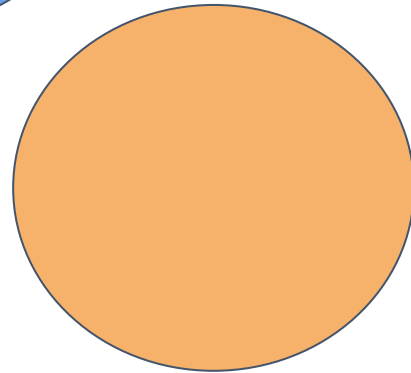
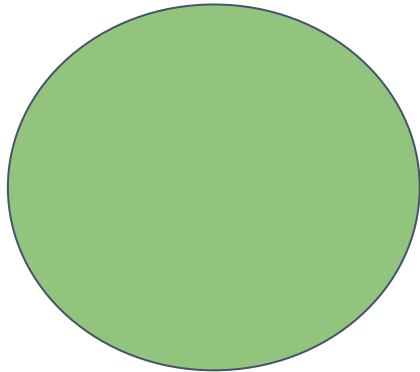
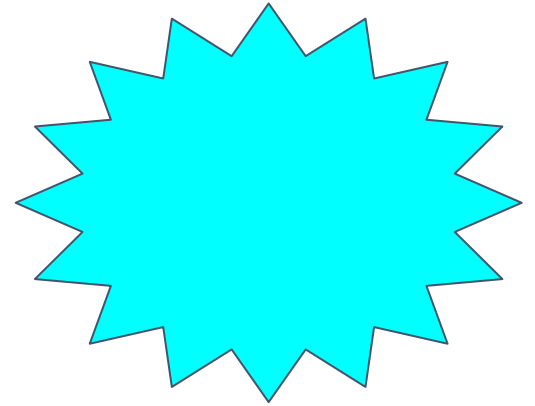
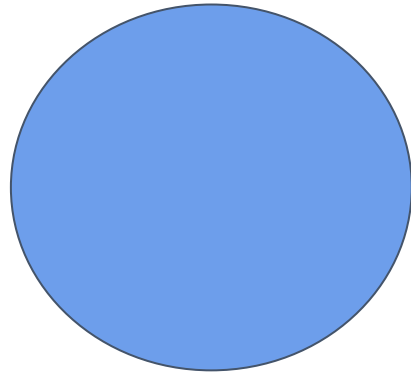
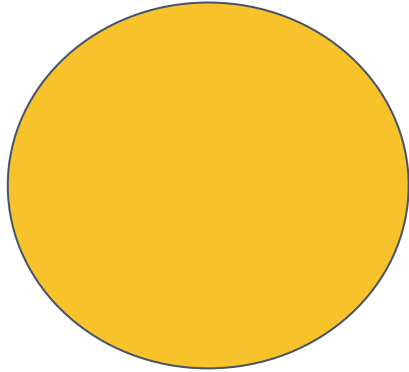
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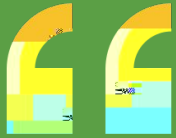
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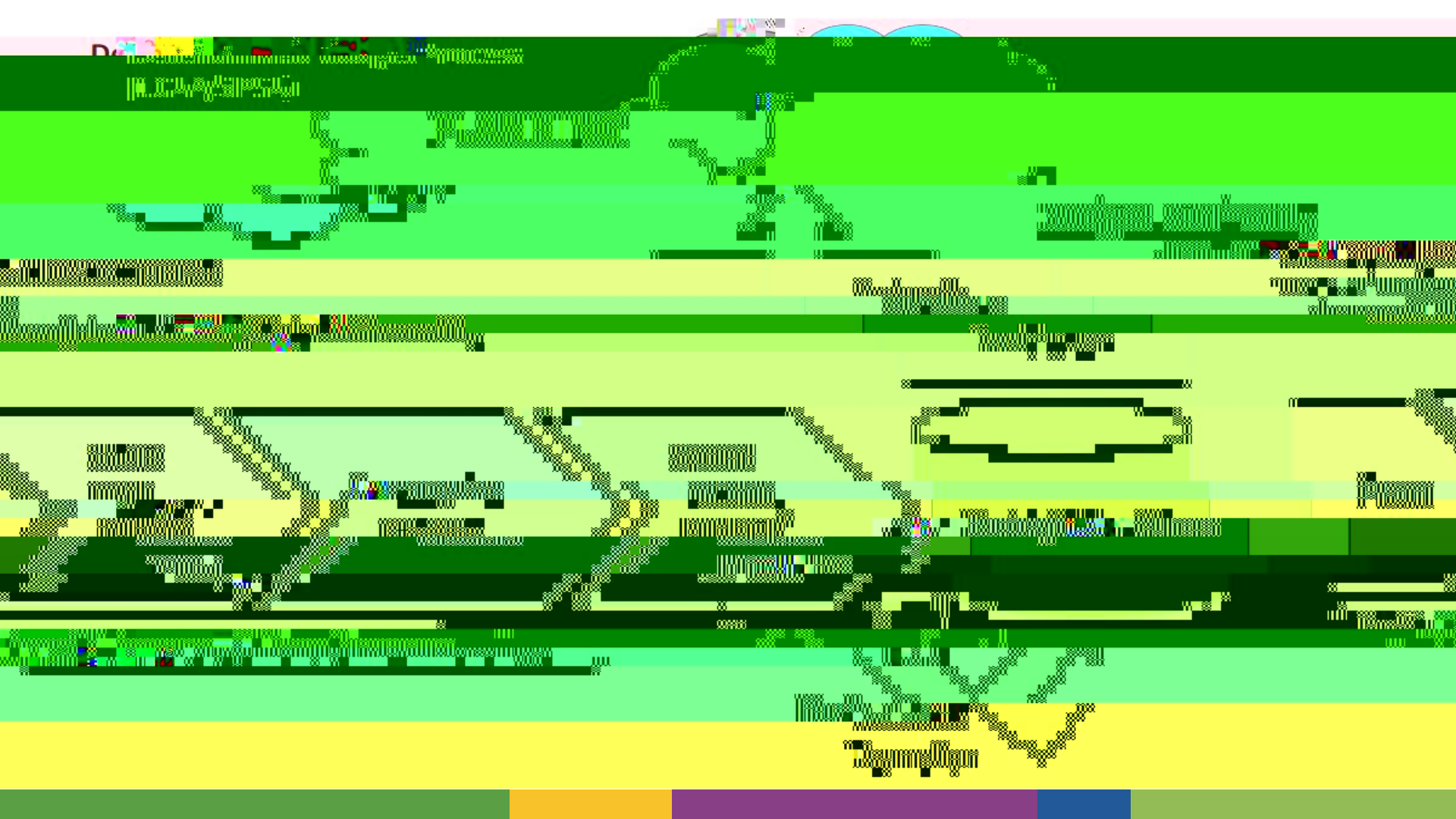


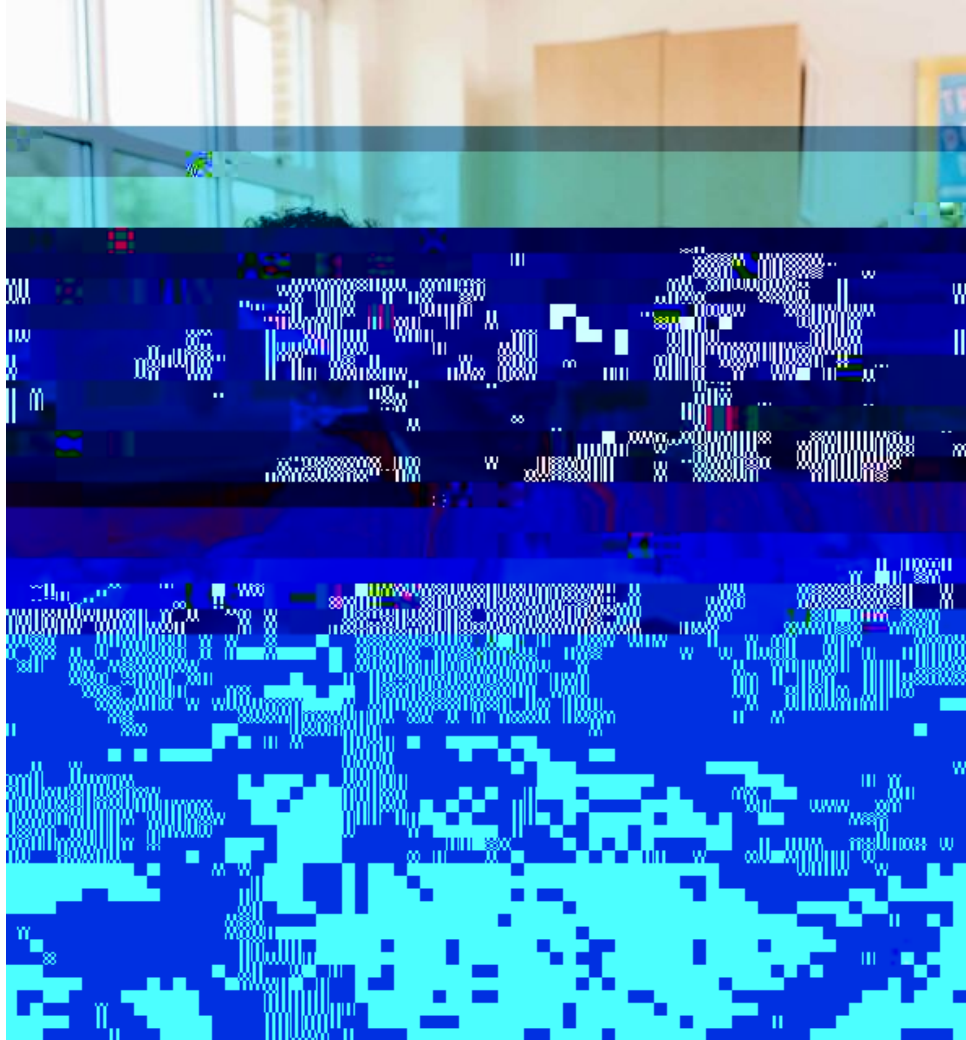
It has also been emphasized that, to fully address some of the district's most urgent needs,

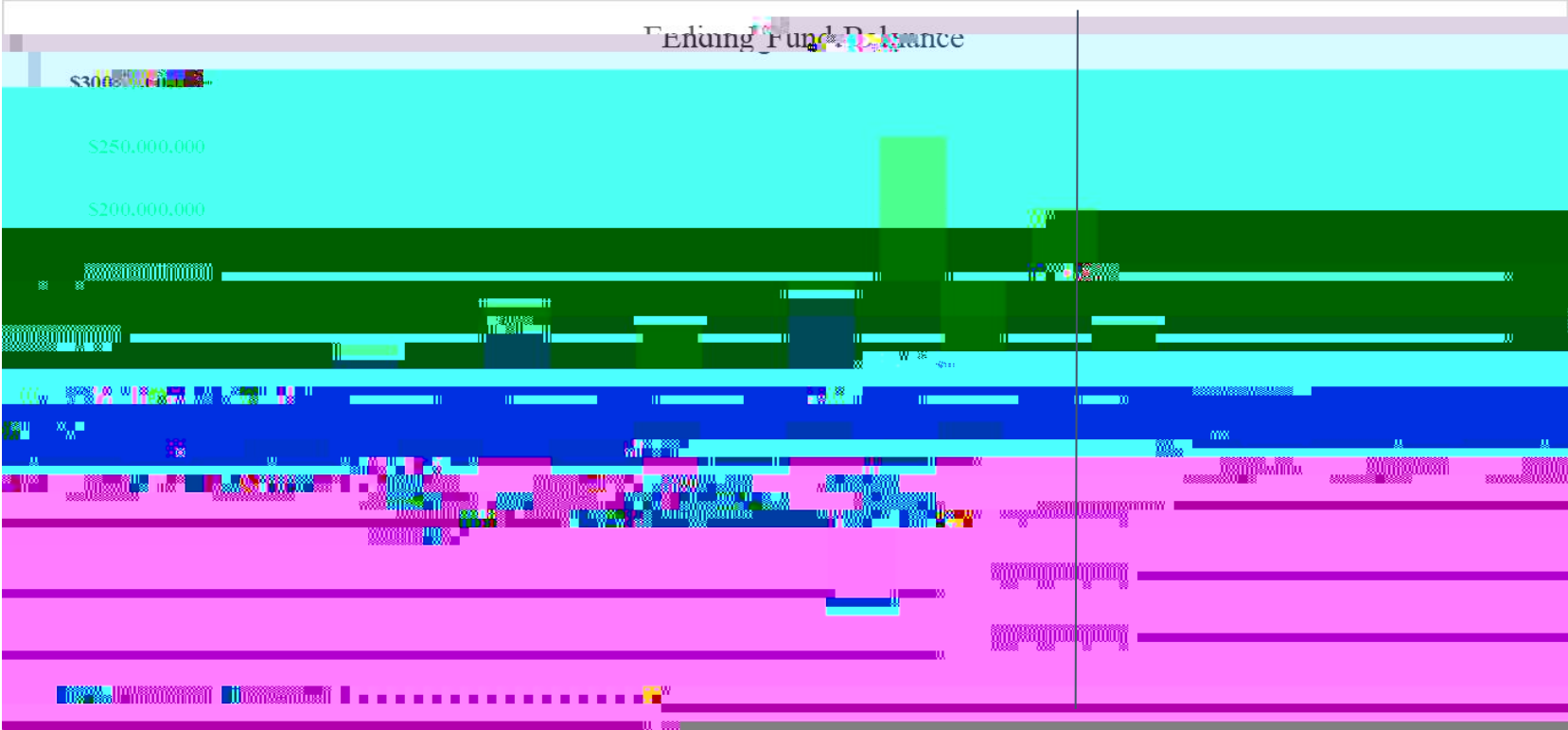
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2023-24 LCAP









LCFF COLA Adjustment	\$2.2M	\$2.2M	\$2.2M
ADA Increase			
Leases / Civic Permits	\$0.1M	\$0.2M	\$0.3M
Restricted and Grants	\$10M	\$15M	\$10M
Penalty Recovery	\$48M		

Unbudgeted Expenditures			
Reduce Contracted Services	\$5M	\$25M	\$35M
Reduce Supplies	\$0.25M	\$1.25M	\$2M
Stabilize SPED Contribution			\$10M
Compliance (Fines, Penalties, Audit Findings)			
Food /Travel			

Solar		\$0.3M	\$0.75M
Every Little Bit Helps			
OPEB (Determine at UA)	\$3M	\$3M	\$3M

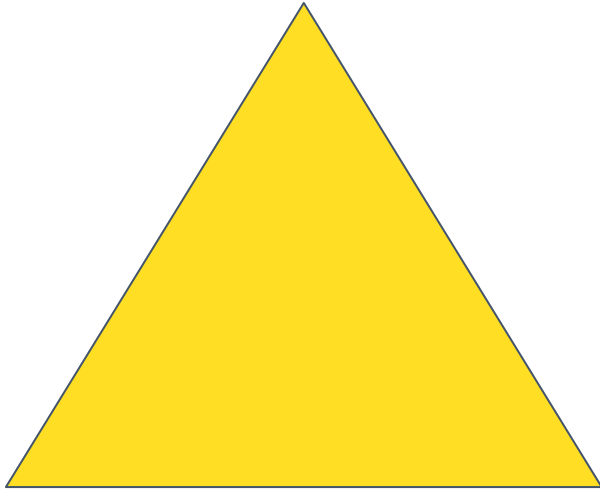
- Cell Phones /Telephones
- Copier /Paper Use
- Legal Costs
- Utilities (Lights, HVAC, Water)
- Insurance Referrals
- Renegotiate Service Contracts



Budget Development FTE Calibration		\$2M	\$3.5M
Position Budgeting Calculations	\$2M	\$2.5M	\$2.5M
One-time FTE		\$1M	
Position Control HRA and Contracts Processes	\$1M	\$1.75M	\$2.5M







Prioritize People

Maximize Dollars

Fiscal Discipline

Transparency

Budget Literacy

The Work Must Be Done



