



FREMONT UNIFIED SCHOOL DISTRICT

45-Day Budget Revision For 2017-18

Division of Business Services

July 26, 2017



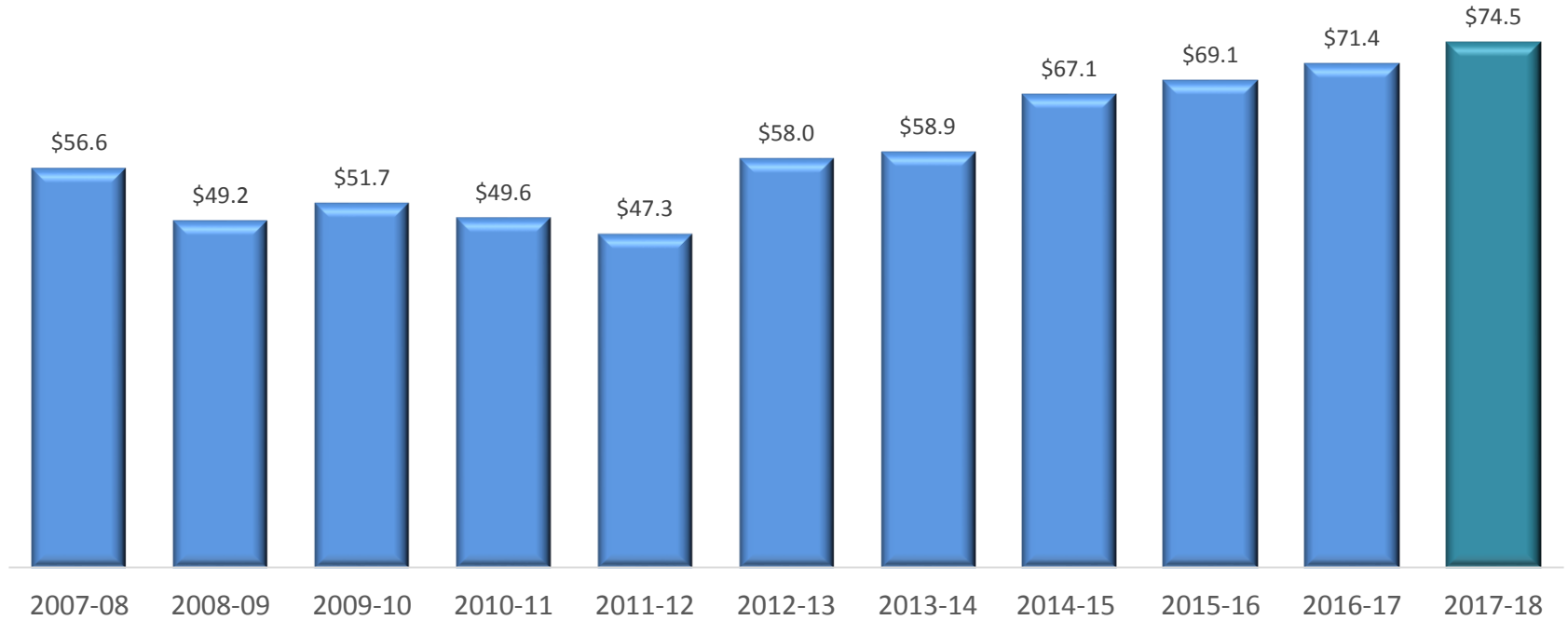
Overview

- Education Code section 42127(i)(4) states that:
 - Not later than 45 days after the Governor signs the annual Budget Act, the school district shall make available for public review any revisions in revenues and expenditures that it has made to its budget to reflect the funding made available by that Budget Act.
- The Governor signed the annual Budget Act for 2017-18 on June 27, 2017
- 45 days falls on August 11, 2017



Statewide Proposition 98 Funding

(in Billions)



Major Changes from May Revision

	May Revision	Enacted Budget
Proposition 98	\$74.6 billion	\$74.6 billion
Cost of Living Adjustment (COLA)	1.56%	1.56%
LCFF Gap Factor for 2016-17	55.03%	56.08%
LCFF Gap Factor for 2017-18	43.97%	43.19%
One Time Discretionary Funds 2017-18	\$170 per ADA or \$5.9 million for FUSD Funding by late 2018-19	\$147 per ADA or \$5.0 million for FUSD Funding in 2017-18



Fiscal Impact to FUSD

Revenues	Amount
Ongoing Impact of Increase in LCFF Gap Factor in 2016-17 from 55.03% to 56.08%	\$420,000
Decrease in LCFF Gap Factor in 2017-18 from 43.97% to 43.19%	(388,000)
Increase in One-Time Discretionary Fund From \$0/ADA to \$147/ADA	4,975,000
Net Increase in Revenues for 2017-18	\$5,007,000



Revised General Fund Budget

(in Millions)

	2017-18 Adopted Budget	Budget Revisions	2017-18 Revised Budget
Revenues	\$342.0	\$5.0	\$347.0
Expenditures	349.7	0.0	349.7
Surplus/(Deficit)	(\$7.7)	\$5.0	(\$2.7)
Beginning Fund Balance	26.0	0.4	26.4
Ending Fund Balance	\$18.3	\$5.4	\$23.7
Less: Designations	7.8	5.4	13.3
= Reserve (\$)	\$10.5	\$0.0	\$10.5
= Reserve (%)	3.00%	0.00%	3.00%



LCFF Gap Factor Changes

	2016-17	2017-18	2018-19	2019-20
May Revision	55.03%	43.97%	71.53%	73.51%
Enacted Budget	56.08%	43.19%	66.12%	64.92%
Increase/(Decrease)	1.05%	(0.78%)	(5.41%)	(8.59%)

	2016-17	2017-18	2018-19	2019-20
2016-17	\$420,000	\$420,000	\$420,000	\$420,000
2017-18		(388,000)	(388,000)	(388,000)
2018-19			(822,000)	(822,000)
2019-20				(582,000)
Net Increase/(Decrease) in LCFF Funding	\$420,000	\$32,000	(\$790,000)	(\$1,372,000)



Multi-Year Budget Projection

(in millions)

	2016-17 Estimated Actual	2017-18 Revised Budget	2018-19 Projected Budget	2019-20 Projected Budget
Revenues	\$343.4	\$347.0	\$357.0	\$375.6
Less: Expenditures	365.8	349.7	362.6	376.8
Surplus/(Deficit)	(\$22.4)	(\$2.7)	(\$5.6)	(\$1.3)
Beginning Fund Balance	48.9	26.4	23.7	18.2
Ending Fund Balance	\$26.4	\$23.7	\$18.2	\$16.9
Less: Designations	17.2	13.3	7.3	5.6
Reserve (\$)	\$9.2	\$10.5	\$10.9	\$11.3
Reserve (%)	2.52%	3.00%	3.00%	3.00%

Other Budget Considerations

- No new funding for the increase in contribution to STRS and PERS – fiscal impact to FUSD is approximately \$28 million per year
- Increasing Special Education funding deficit
- Enrollment growth
- Timing of Proposition 51 (State Facility Bond) funding is still unclear

Next Steps

- Unaudited Actual 2016-17 – September 13, 2017
- First Interim Budget Report – December 13, 2017
- Audited Financial Statement – January 24, 2018
- Second Interim Budget Report – March 14, 2018

