



# FREMONT UNIFIED SCHOOL DISTRICT

## 45-Day Budget Revision For 2018-19

Division of Business Services

July 25, 2018



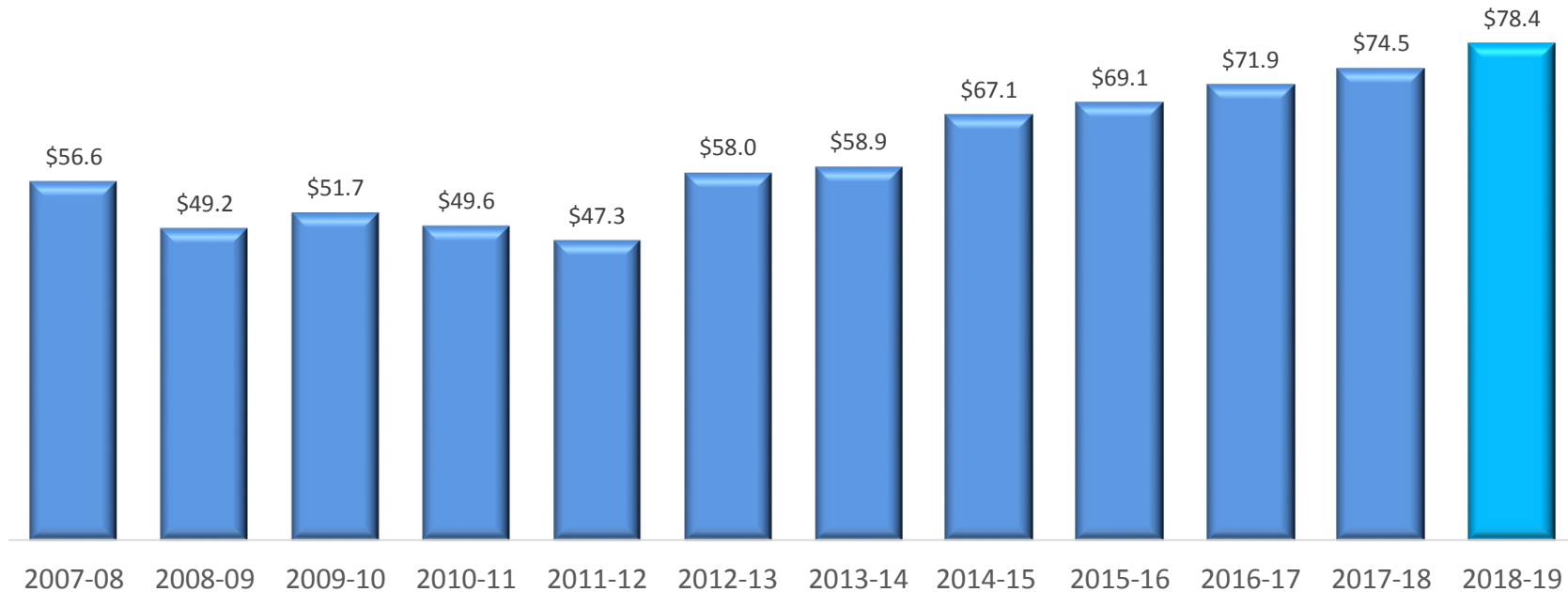
# Overview

- 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 2018-19 on June 27, 2018
- 45 days falls on August 13, 2018



# Statewide Proposition 98 Funding

(in Billions)

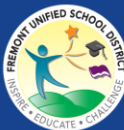


# Major Changes from May Revision

	January Budget Proposal	May Revision	Enacted Budget
Proposition 98			
2016-17	\$71.4 billion	\$71.6 billion	\$71.6 billion
2017-18	\$75.2 billion	\$75.6 billion	\$75.6 billion
2018-19	\$78.3 billion	\$78.4 billion	\$78.4 billion
Local Control Funding Formula (LCFF) Augmented COLA <sup>[1]</sup>	2.51%	3.00%	3.70%
2018-19 Statutory COLA	2.51%	2.71%	2.71%
LCFF Gap Factor for	100%	100%	100%
One Time Discretionary Funds 2018-19	\$1.8 billion or \$295 per ADA \$10.0 million for FUSD	\$2.02 billion or \$344 per ADA \$11.8 million for FUSD	\$1.1 billion or \$184 per ADA \$6.2 million for FUSD <sup>[2]</sup>

[1] Cost of Living Adjustment

[2] May be reduced to repay School Based Medi-Cal Administrative Activities (SMAA) prior year disallowed claims



# Fiscal Impact to FUSD

Revenues	Amount
Decrease in LCFF Gap Factor in 2017-18 from 45.17% to 42.97%	(\$346,000)
Increase in COLA in 2018-19 from 3.00% to 3.71%	2,084,000
Decrease in One-Time Discretionary Fund From \$344/Average Daily Attendance (ADA) to \$184/ADA	(5,491,000)
<b>Net Decrease in Revenues for 2018-19</b>	<b>(\$3,753,000)</b>



# Revised General Fund Budget

(in Millions)

	2018-19 Adopted Budget	Budget Revisions	2018-19 Revised Budget
Revenues	\$371.2	(\$3.4)	\$367.8
Expenditures	370.9	0.0	370.9
<b>Surplus/(Deficit)</b>	<b>\$0.3</b>	<b>(\$3.4)</b>	<b>(\$3.1)</b>
Beginning Fund Balance	25.3	(0.3)	25.0
Ending Fund Balance	\$25.7	(\$3.7)	\$21.9
Less: Designations	14.5	(3.7)	10.8
= Reserve (\$)	\$11.1	\$0.0	\$11.1
= Reserve (%)	3.00%	0.00%	3.00%



# Multi-Year Budget Projection

(in millions)

	2017-18 Estimated Actual	2018-19 Revised Budget	2019-20 Projected Budget	2020-21 Projected Budget
Revenues	\$352.4	\$367.8	\$378.4	\$399.9
Less: Expenditures	363.8	370.9	377.3	392.0
<b>Surplus/(Deficit)</b>	<b>(\$11.4)</b>	<b>(\$3.1)</b>	<b>\$1.1</b>	<b>\$7.8</b>
Beginning Fund Balance	36.4	25.0	21.9	23.1
Ending Fund Balance	\$25.0	\$21.9	\$23.1	\$31.0
Less: Designations	14.5	10.8	11.8	14.2
Reserve (\$)	\$10.5	\$11.1	\$11.3	\$16.8
Reserve (%)	2.90%	3.00%	3.01%	4.29%



# Next Steps

- Unaudited Actual 2017-18 – September 12, 2018
- First Interim Budget Report – December 12, 2018
- Audited Financial Statement – January 23, 2019
- Second Interim Budget Report – March 13, 2019