

**FRESNO UNIFIED SCHOOL DISTRICT
BOARD OF EDUCATION**

AGENDA ITEM A-4

AGENDA SECTION <i>(Check Box Below)</i>			
A	B	C	RECOGNIZE/ PRESENT
CONSENT	DISCUSSION	RECEIVE	
X			

BOARD MEETING DATE:
April 11, 2018

ACTION REQUESTED: <i>(Adopt, Approve, Ratify, Discuss, Receive, etc.)</i>	Approve
---	----------------

TITLE AND SUBJECT: Approve Budget Revision No. 4 for Fiscal Year 2017/18

DESCRIPTION/DISCUSSION: Included in the Board binders is Budget Revision No. 4 for fiscal year 2017/18. Periodic updates to the district's budget are presented to the Board of Education for approval. Budget Revision No. 4 includes adjustments for updated information and necessary adjustments to support the acceptance of various grant awards.

The following items are included in Budget Revision No. 4 for fiscal year 2017/18:

- Expense changes to reflect items reported in the Second Interim Financial Report approved by the Board of Education on March 7, 2018
- Program adjustments and grant revisions

FINANCIAL SUMMARY: As a result, the Unrestricted General Fund Reserve for Economic Uncertainties is estimated at approximately at \$73.8 million at June 30, 2018.

PREPARED BY: <i>Kim Kelstrom</i> Kim Kelstrom, Executive Officer, Fiscal Services	DIVISION: Administrative Services PHONE: (559) 457-6226
CABINET LEVEL APPROVAL: Ruth F. Quinto, Deputy Superintendent/CFO <i>(Signature Required)</i> <i>Ruth F. Quinto</i>	SUPERINTENDENT APPROVAL: <i>Robert L. Nelson</i>

Unrestricted General Fund Adjustments and Revisions

As presented in the 2017/18 Second Interim Financial Report approved by the Board on March 7, 2018, the following adjustments are being made:

- Increase of \$1.1 million in LCFF funding due primarily to an increase to unduplicated count percentage
- Increase of \$800,000 in interest income
- Increase of \$5.0 million for portable classrooms to reduce class size
- Increase of \$1.0 million in Special Education due to a higher fill rate of the Speech Language Pathologist contracts
- Increase of \$13.9 million in salary and benefits for certificated and classified collective bargaining agreements through June 30, 2018

Revisions to the 2017/18 Budget Recommended for Approval

The following items are also included for the Board's consideration and approval:

- \$100,000 for Fresno Southeast Asian Coalition For Action (FSACA) contract presented to the Board of Education on January 24, 2018
- \$75,000 to cover costs needed due to loss of grant funds for Elementary Music expansion to repair music instruments
- \$203,000 for final salaries and supplies due to preparation for curriculum and hiring for substitutes in the event there was a work stoppage
- \$676,000 for increase in Medical Administrative Activity (MAA) reimbursements for 2015/16 received and recognized as one-time revenue
- \$3.9 million increase in contributions for Special Education restricted programs related to salary and benefits in the collective bargaining agreements through June 30, 2018

The chart below shows new grants, revisions to existing grants, and entitlements:

Name	2017/18 Current Budget Allocation	2017/18 Adjusted Amount	Revised Budget Allocation
California Clean Energy Jobs Act (Prop 39)	\$14,897,924	\$1,058,660	\$15,956,584
Classified Schools Employee Grant	-	100,000	100,000
College Futures Partnership	250,000	250,000	500,000
Community Redevelopment	1,332,831	235,228	1,568,059
Elementary Schools: Local	1,246	250	1,496
IASA: Title I Migrant Ed Regular	353,421	602	354,023
Idea Alternative Dispute Resolution	27,435	15,823	43,258
Idea Basic Local Aid: Spec. Ed.	11,337,304	(100,864)	11,236,440
Idea Preschool Grades: Spec. Ed.	285,481	1,460	286,941
Idea Preschool Location: Spec. Ed.	823,131	(7,308)	815,823
Special Education	95,295,686	4,990,182	100,285,868
Special Education - Workability	454,734	7,080	461,814
Supporting Inclusive Practices	-	20,000	20,000
Title II - Teacher Quality	4,462,607	(2,340)	4,460,267
Title III - Immigrant	78,709	6,898	85,607
Title III - Limited English Proficient	1,903,107	71,711	1,974,818
Title IV – Part A Part A (ESSA) ^(A)	979,240	(979,240)	-
Vocational Programs: Voc & App	906,516	81,749	988,265
Total	\$133,389,372	\$5,749,891	\$139,139,263

^(A) Received notification from the California Department of Education on February 6, 2018 that funds will not be available in 2017/18

Other Funds

Adult Education Fund – Budget Revision No. 4 reflects a decrease in expenses of \$198,600 to recognize decreases in various grant awards.

Children Center Fund – Budget Revision No. 4 reflects an increase in expenses of \$1.7 million to recognize an increase in grant award for increased enrollment and rates.

Developer Fee Fund – Budget Revision No. 4 reflects an increase in revenue received of \$285,000.

Health Fund – Budget Revision No. 4 reflects an increase in fund balance by \$477,000 to recognize the Joint Health Management Board’s revised budget approved on March 15, 2018.

Defined Benefits Fund – Budget Revision No.4 reflects an increase in expenses of \$172,000 to recognize 2017/18 additional expenses.

**FRESNO UNIFIED SCHOOL DISTRICT
GENERAL FUND
BUDGET REVISION #4**

DESCRIPTION	2017/18 ADOPTED BUDGET	1/24/2018 2017/18 CURRENT BUDGET	4/11/2018 2017/18 BUDGET REVISION #4	DIFFERENCE BETWEEN CURRENT AND BR#4	DIFFERENCE BETWEEN ADOPTED AND BR#4
Revenues					
LCFF Sources	\$ 699,048,126	\$ 698,621,200	\$ 698,621,200	\$ -	\$ (426,926)
Federal Revenues	81,941,706	94,239,087	93,347,578	(891,509)	11,405,872
Other State Revenues	100,846,156	117,568,019	120,515,543	2,947,524	19,669,387
Other Local Revenues	12,555,310	13,969,277	15,364,474	1,395,197	2,809,164
Total Revenues	\$ 894,391,298	\$ 924,397,583	\$ 927,848,795	\$ 3,451,212	\$ 33,457,497
Expenditures					
Certificated Salaries	\$ 387,372,643	\$ 385,358,317	\$ 397,008,317	\$ 11,650,000	\$ 9,635,674
Classified Salaries	118,441,345	118,530,901	125,306,401	6,775,500	6,865,056
Employee Benefits	239,617,801	240,294,019	247,069,121	6,775,102	7,451,320
Book and Supplies	54,124,095	72,745,872	73,242,549	496,677	19,118,454
Services & Operating	97,039,754	111,818,872	112,588,456	769,584	15,548,702
Capital Outlay	28,411,443	29,184,952	35,243,612	6,058,660	6,832,169
Other Outgo	2,572,852	14,841,329	3,563,436	(11,277,893)	990,584
Direct/Indirect Costs	(2,526,607)	(2,687,218)	(2,751,597)	(64,379)	(224,990)
Total Expenditures	\$ 925,053,326	\$ 970,087,044	\$ 991,270,295	\$ 21,183,251	\$ 66,216,969
Other Sources/(Uses)					
Transfers In	\$ 3,374,709	\$ 3,374,709	\$ 3,374,709	\$ -	\$ -
Transfers Out	\$ (4,856,409)	\$ (4,856,409)	\$ (4,856,409)	\$ -	\$ 1,500,000
Other Sources	\$ -	\$ -	\$ -	\$ -	\$ -
Other Uses	\$ -	\$ -	\$ -	\$ -	\$ -
Restricted Contribution	\$ -	\$ -	\$ -	\$ -	\$ -
Total Sources/(Uses)	\$ (1,481,700)	\$ (1,481,700)	\$ (1,481,700)	\$ -	\$ -
Net Increase/Decrease in Fund Balance	\$ (32,143,728)	\$ (47,171,161)	\$ (64,903,200)	\$ (17,732,039)	\$ (32,759,472)
Beginning Fund Balance - Unaudited Audit Adjustment	\$ -	\$ -	\$ -	\$ -	\$ -
	\$ 131,501,019	\$ 155,814,837	\$ 155,814,837	\$ -	\$ 24,313,818
Beginning Balance	\$ 131,501,019	\$ 155,814,837	\$ 155,814,837	\$ -	\$ 24,313,818
Ending Fund Balance	\$ 99,357,291	\$ 108,643,676	\$ 90,911,637	\$ (17,732,039)	\$ 9,286,385
Components of Ending Balance					
Revolving Cash	\$ 39,929	\$ 39,929	\$ 88,929	49,000	\$ -
Stores	1,632,378	1,632,378	1,418,428	(213,950)	-
Prepaid Expense	191,560	191,560	368,475	176,915	-
Restricted	3,862,579	3,862,579	-	(3,862,579)	-
Assigned: Other Assignments	16,400,000	16,400,000	15,200,000	(1,200,000)	-
Reserve for Economic Uncertainties	77,230,846	86,517,231	73,835,805	(12,681,426)	(3,395,041)
Reserve Level %	8.31%	8.87%	7.41%		
Total Ending Fund Balance	\$ 99,357,291	\$ 108,643,676	\$ 90,911,637	\$ (17,732,039)	\$ (8,445,654)

**FRESNO UNIFIED SCHOOL DISTRICT
UNRESTRICTED GENERAL FUND
ADJUSTMENT SUMMARY**

DESCRIPTION	2017/18 ADOPTED BUDGET UNRESTRICTED	1/24/2018 2017/18 CURRENT BUDGET UNRESTRICTED	4/11/2018 2017/18 BUDGET REVISION #4 UNRESTRICTED	DIFFERENCE BETWEEN CURRENT AND BR#4	DIFFERENCE BETWEEN ADOPTED AND BR#4
Revenues					
LCFF Sources	\$ 699,048,126	\$ 698,621,200	\$ 698,621,200	\$ -	\$ (426,926)
Federal Revenues	-	-	-	-	-
Other State Revenues	13,390,594	24,353,435	26,118,689	1,765,254	12,728,095
Other Local Revenues	8,465,714	9,070,714	9,980,433	909,719	1,514,719
Total Revenues	\$ 720,904,434	\$ 732,045,349	\$ 734,720,322	\$ 2,674,973	\$ 13,815,888
Expenditures					
Certificated Salaries	\$ 304,653,197	\$ 302,711,496	\$ 312,411,496	\$ 9,700,000	\$ 7,758,299
Classified Salaries	79,487,467	79,668,068	85,468,068	5,800,000	5,980,601
Employee Benefits	162,219,438	161,960,324	167,760,324	5,800,000	5,540,886
Book and Supplies	37,938,125	44,296,619	44,531,219	234,600	6,593,094
Services & Operating	64,879,496	68,352,750	68,605,938	253,188	3,726,442
Capital Outlay	25,140,723	25,753,645	30,753,645	5,000,000	5,612,922
Other Outgo	1,992,852	13,290,368	1,990,368	(11,300,000)	(2,484)
Direct/Indirect Costs	(10,524,563)	(11,383,110)	(11,454,068)	(70,958)	(929,505)
Total Expenditures	\$ 665,786,735	\$ 684,650,160	\$ 700,066,990	\$ 15,416,830	\$ 34,280,255
Other Sources/(Uses)					
Transfers In	\$ 18,300	\$ 18,300	\$ 18,300	-	-
Transfers Out	(1,500,000)	(1,500,000)	(1,500,000)	-	1,500,000
Other Sources					
Other Uses	-				
Restricted Contribution	\$ (84,018,316)	\$ (85,156,076)	\$ (90,146,258)	\$ (4,990,182)	\$ (6,127,942)
Total Sources/(Uses)	\$ (85,500,016)	\$ (86,637,776)	\$ (91,627,958)	\$ (4,990,182)	\$ (6,127,942)
Net Increase/Decrease in Fund Balance	\$ (30,382,317)	\$ (39,242,587)	\$ (56,974,626)	\$ (17,732,039)	\$ (26,592,309)
Beginning Fund Balance - Adopted	\$ 125,877,029	\$ 147,886,263	\$ 147,886,263	-	\$ 22,009,234
Beginning Balance	\$ 125,877,029	\$ 147,886,263	\$ 147,886,263	-	\$ 22,009,234
Ending Fund Balance	\$ 95,494,712	\$ 108,643,676	\$ 90,911,637	\$ (17,732,039)	\$ 13,148,964

**FRESNO UNIFIED SCHOOL DISTRICT
RESTRICTED GENERAL FUND
ADJUSTMENT SUMMARY**

DESCRIPTION	2017/18 ADOPTED BUDGET RESTRICTED	11/8/2017 2017/18 CURRENT BUDGET RESTRICTED	4/11/2018 2017/18 BUDGET REVISION #4 RESTRICTED	DIFFERENCE BETWEEN CURRENT AND BR#4	DIFFERENCE BETWEEN ADOPTED AND BR#4
Revenues					
LCFF Sources	\$ -	\$ -	\$ -	-	\$ -
Federal Revenues	81,941,706	94,239,087	93,347,578	(891,509)	\$ 11,405,872
Other State Revenues	87,455,562	93,214,584	94,396,854	1,182,270	\$ 6,941,292
Other Local Revenues	4,089,596	4,898,563	5,384,041	485,478	\$ 1,294,445
Total Revenues	\$ 173,486,864	\$ 192,352,234	\$ 193,128,473	\$ 776,239	\$ 19,641,609
Expenditures					
Certificated Salaries	\$ 82,719,446	\$ 82,646,821	\$ 84,596,821	\$ 1,950,000	\$ 1,877,375
Classified Salaries	38,953,878	38,862,833	39,838,333	\$ 975,500	\$ 884,455
Employee Benefits	77,398,363	78,333,695	79,308,797	\$ 975,102	\$ 1,910,434
Book and Supplies	16,185,970	28,449,253	28,711,330	\$ 262,077	\$ 12,525,360
Services & Operating	32,160,258	43,466,122	43,982,518	\$ 516,396	\$ 11,822,260
Capital Outlay	3,270,720	3,431,307	4,489,967	\$ 1,058,660	\$ 1,219,247
Other Outgo	580,000	1,550,961	1,573,068	\$ 22,107	\$ 993,068
Direct/Indirect Costs	7,997,956	8,695,892	8,702,471	\$ 6,579	\$ 704,515
Total Expenditures	\$ 259,266,591	\$ 285,436,884	\$ 291,203,305	\$ 5,766,421	\$ 31,936,714
Other Sources/(Uses)					
Transfers In	3,356,409	3,356,409	3,356,409	-	-
Transfers Out	(3,356,409)	(3,356,409)	(3,356,409)	-	-
Other Sources					
Other Uses					
Restricted Contribution	84,018,316	85,156,076	90,146,258	4,990,182	6,127,942
Total Sources/(Uses)	\$ 84,018,316	\$ 85,156,076	\$ 90,146,258	\$ 4,990,182	\$ 6,127,942
Net Increase/Decrease in Fund Balance	\$ (1,761,411)	\$ (7,928,574)	\$ (7,928,574)	\$ -	\$ (6,167,163)
Beginning Fund Balance - Adopted	\$ 5,623,990	\$ 7,928,574	\$ 7,928,574	-	\$ 2,304,585
Beginning Balance	\$ 5,623,990	\$ 7,928,574	\$ 7,928,574	-	\$ 2,304,585
Ending Fund Balance	\$ 3,862,579	\$ 0	\$ 0	-	\$ (3,862,578)

FRESNO UNIFIED BUDGET AUGMENTATION

BOARD PRESENTATION DATE:

April 11, 2018

FUND: Adult Education Fund

OBJECT	ACCOUNT TITLE	Adopted BUDGET	Current BUDGET	Revised BUDGET	Net Change BUDGET
APPROPRIATIONS:					
1000	Certificated Salaries	2,719,262	2,693,246	2,499,799	(193,447)
2000	Classified Salaries	1,586,732	1,637,642	1,637,642	0
3000	Employee Benefits	2,181,387	2,216,399	2,120,953	(95,446)
4000	Books and Supplies	420,084	1,360,892	1,450,426	89,534
5000	Services and Ot Operating	2,057,668	1,550,541	1,548,534	(2,007)
6000	Capital Outlay	0	0	0	0
7000	Other Outgo	0	0	0	0
	TOTAL BEFORE INDIRECT	8,965,133	9,458,720	9,257,354	(201,366)
7300	INDIRECT COSTS	189,400	191,718	194,481	2,763
	TOTAL APPROPRIATIONS	9,154,533	9,650,438	9,451,835	(198,603)
REVENUES:					
	REVENUE LIMIT SOURCES	0	0	0	0
	FEDERAL REVENUES	1,333,695	1,333,695	1,135,092	(198,603)
	STATE REVENUES	5,686,822	5,686,822	5,686,822	0
	LOCAL REVENUES	1,102,608	1,102,608	1,102,608	0
	OTHER SOURCES	0	0	0	0
	TOTAL REVENUES	8,123,125	8,123,125	7,924,522	(198,603)
	Beginning Fund Balance	1,301,045	1,077,480	1,077,480	0
	Change to Fund Balance	(1,031,408)	(1,527,313)	(1,527,313)	0
	Ending Fund Balance	269,637	(449,833)	(449,833)	0

FRESNO UNIFIED BUDGET AUGMENTATION

BOARD PRESENTATION DATE:

April 11, 2018

FUND: **Children Center Fund**

OBJECT	ACCOUNT TITLE	Adopted BUDGET	Current BUDGET	Revised BUDGET	Net Change BUDGET
APPROPRIATIONS:					
1000	Certificated Salaries	5,254,275	4,946,267	6,050,140	1,103,873
2000	Classified Salaries	3,167,730	3,167,730	3,167,730	0
3000	Employee Benefits	4,511,183	4,320,501	4,876,180	555,679
4000	Books and Supplies	172,317	287,317	287,317	0
5000	Services and Ot Operating	114,000	169,600	179,854	10,254
6000	Capital Outlay	0	0	0	0
7000	Other Outgo	0	0	0	0
	TOTAL BEFORE INDIRECT	13,219,505	12,891,415	14,561,221	1,669,806
7300	INDIRECT COSTS	481,096	461,343	522,959	61,616
	TOTAL APPROPRIATIONS	13,700,601	13,352,758	15,084,180	1,731,422
REVENUES:					
	REVENUE LIMIT SOURCES	0	0	0	0
	FEDERAL REVENUES	385,178	388,401	456,737	68,336
	STATE REVENUES	13,297,423	12,725,757	14,388,843	1,663,086
	LOCAL REVENUES	18,000	238,600	238,600	0
	OTHER SOURCES	0	0	0	0
	TOTAL REVENUES	13,700,601	13,352,758	15,084,180	1,731,422
	Beginning Fund Balance	0	0	0	0
	Change to Fund Balance	0	0	0	0
	Ending Fund Balance	0	0	0	0

FRESNO UNIFIED BUDGET AUGMENTATION

BOARD PRESENTATION DATE:

April 11, 2018

FUND: **Developer Fee Fund**

OBJECT	ACCOUNT TITLE	Adopted BUDGET	Current BUDGET	Revised BUDGET	Net Change BUDGET
APPROPRIATIONS:					
1000	Certificated Salaries	0	0	0	0
2000	Classified Salaries	0	0	0	0
3000	Employee Benefits	0	0	0	0
4000	Books and Supplies	68,000	100,400	100,400	0
5000	Services and Ot Operating	1,432,000	1,535,479	1,820,875	285,396
6000	Capital Outlay	0	0	0	0
7000	Other Outgo	18,300	18,300	18,300	0
	TOTAL BEFORE INDIRECT	1,518,300	1,654,179	1,939,575	285,396
7300	INDIRECT COSTS	0	0	0	0
	TOTAL APPROPRIATIONS	1,518,300	1,654,179	1,939,575	285,396
REVENUES:					
	FEDERAL REVENUES	0	0	0	0
	STATE REVENUES	0	0	0	0
	LOCAL REVENUES	635,000	635,000	920,396	285,396
	OTHER SOURCES	0	0	0	0
	TOTAL REVENUES	635,000	635,000	920,396	285,396
	Beginning Fund Balance	0	0	0	0
	Change to Fund Balance	(883,300)	(1,019,179)	(1,019,179)	0
	Ending Fund Balance	(883,300)	(1,019,179)	(1,019,179)	0

FRESNO UNIFIED BUDGET AUGMENTATION

BOARD PRESENTATION DATE:

April 11, 2018

FUND: **Health Fund**

OBJECT	ACCOUNT TITLE	Adopted BUDGET	Current BUDGET	Revised BUDGET	Net Change BUDGET
APPROPRIATIONS:					
1000	Certificated Salaries	0	0	0	0
2000	Classified Salaries	438,352	438,352	438,352	0
3000	Employee Benefits	245,585	245,585	245,585	0
4000	Books and Supplies	85,858	22,330	22,330	0
5000	Services and Ot Operating	148,090,481	148,154,009	149,360,683	1,206,674
6000	Capital Outlay	0	0	0	0
7000	Other Outgo	2,000,000	2,000,000	2,000,000	0
	TOTAL BEFORE INDIRECT	150,860,276	150,860,276	152,066,950	1,206,674
7300	INDIRECT COSTS	0	0	0	0
	TOTAL APPROPRIATIONS	150,860,276	150,860,276	152,066,950	1,206,674
REVENUES:					
	REVENUE LIMIT SOURCES	0	0	0	0
	FEDERAL REVENUES	0	0	0	0
	STATE REVENUES	0	0	0	0
	LOCAL REVENUES	156,911,611	156,911,611	158,595,695	1,684,084
	OTHER SOURCES	0	0	0	0
	TOTAL REVENUES	156,911,611	156,911,611	158,595,695	1,684,084
	Beginning Fund Balance	8,808,354	8,808,354	8,808,354	0
	Change to Fund Balance	6,051,335	6,051,335	6,528,745	477,410
	Ending Fund Balance	14,859,689	14,859,689	15,337,099	477,410

FRESNO UNIFIED BUDGET AUGMENTATION

BOARD PRESENTATION DATE:

April 11, 2018

FUND: **Defined Benefits ISF**

OBJECT	ACCOUNT TITLE	Adopted BUDGET	Current BUDGET	Revised BUDGET	Net Change BUDGET
APPROPRIATIONS:					
1000	Certificated Salaries	0	0	0	0
2000	Classified Salaries	0	0	0	0
3000	Employee Benefits	0	0	0	0
4000	Books and Supplies	0	0	0	0
5000	Services and Ot Operating	834,311	834,311	1,006,337	172,026
6000	Capital Outlay	0	0	0	0
7000	Other Outgo	0	0	0	0
	TOTAL BEFORE INDIRECT	834,311	834,311	1,006,337	172,026
7300	INDIRECT COSTS	0	0	0	0
	TOTAL APPROPRIATIONS	834,311	834,311	1,006,337	172,026
REVENUES:					
	REVENUE LIMIT SOURCES	0	0	0	0
	FEDERAL REVENUES	0	0	0	0
	STATE REVENUES	0	0	0	0
	LOCAL REVENUES	1,189,677	1,189,677	1,189,677	0
	OTHER SOURCES	0	0	0	0
	TOTAL REVENUES	1,189,677	1,189,677	1,189,677	0
	Beginning Fund Balance	0	0	0	0
	Change to Fund Balance	355,366	355,366	183,340	(172,026)
	Ending Fund Balance	355,366	355,366	183,340	(172,026)