

Fresno Unified School District
Board Agenda Item

Board Meeting Date: August 07, 2019

AGENDA SECTION: A

(A – Consent, B – Discussion, C – Receive, Recognize/Present)

ACTION REQUESTED: Approve

(Adopt, Approve, Discuss, Receive, etc.)

TITLE AND SUBJECT: Approve Budget Revision No. 1 for Fiscal Year 2019/20

ITEM DESCRIPTION: Included in the Board binders is Budget Revision No. 1 for fiscal year 2019/20. Periodic updates to the district's budget are presented to the Board of Education for approval.

The following items are included in Budget Revision No. 1 to reflect the changes made in the Governor's Final State Budget for fiscal year 2019/20:

- Adjustments to final STRS and PERS rates. STRS rate increased from 16.7% to 17.1% and PERS decreased from 20.733% to 19.721% from adopted budget, resulting in an increase of \$670,000
- Increase in the Special Education equalization funding of \$3.3 million
- Increase in Special Education funding to support three and four-year olds with an Individualized Education Plan (IEP) of \$4.3 million
- Increase in lottery funding of \$200,000 in ongoing funds
- One-time lottery resources of \$1.8 million from 2018/19 designated in the Assigned Fund Balance for Future Textbook Adoptions

In addition, to reflect the tentative agreement with Fresno Teacher's Association, ratified by the Board of Education on June 27, 2019, the following items impact fiscal year 2019/20:

- A 3.0% ongoing salary increase and a 1.5% one-time salary payment (based on the 2018/19 salary schedule). The 2019/20 Adopted Budget included a projected 2.0% salary increase
 - Utilize one-time resource of Assigned Fund Balance for New CTE School - \$6 million
- Increase in Local Control Funding Formula (LCFF) to recognize an increase of 100 ADA based on 2018/19 attendance rate of \$1.3 million

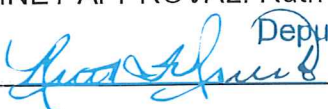
FINANCIAL SUMMARY: As a result, the Unrestricted General Fund Reserve for Economic Uncertainties is estimated at approximately \$83.8 million at June 30, 2020.

PREPARED BY: Kim Kelstrom 
Executive Officer, Fiscal Services

DIVISION: Administrative Services
PHONE NUMBER: (559) 457-6226

CABINET APPROVAL: Ruth F. Quinto
Deputy Superintendent/CFO

SUPERINTENDENT APPROVAL:





FRESNO UNIFIED SCHOOL DISTRICT
GENERAL FUND
BUDGET REVISION #1

DESCRIPTION	2019/20 ADOPTED BUDGET	2019/20 CURRENT BUDGET	8/7/2019 2019/20 BUDGET REVISION #1	DIFFERENCE BETWEEN CURRENT AND BR#1	DIFFERENCE BETWEEN ADOPTED AND BR#1
Revenues					
LCFF Sources	\$ 778,979,477	\$ 778,979,477	\$ 780,330,472	\$ 1,350,995	\$ 1,350,995
Federal Revenues	107,785,729	107,785,729	107,785,729	-	-
Other State Revenues	101,717,629	101,717,629	109,555,170	7,837,541	7,837,541
Other Local Revenues	15,897,035	15,897,035	15,897,035	-	-
Total Revenues	\$ 1,004,379,870	\$ 1,004,379,870	\$ 1,013,568,406	\$ 9,188,536	\$ 9,188,536
Expenditures					
Certificated Salaries	\$ 423,742,224	\$ 423,750,488	\$ 433,312,011	\$ 9,561,523	\$ 9,569,787
Classified Salaries	136,593,522	136,699,122	136,699,122	-	105,600
Employee Benefits	292,459,761	292,461,316	295,740,467	3,279,151	3,280,706
Book and Supplies	70,040,458	69,971,544	69,845,360	(126,184)	(195,098)
Services & Operating	100,616,585	100,581,198	100,581,198	-	(35,387)
Capital Outlay	16,736,979	16,725,861	16,725,861	-	(11,118)
Other Outgo	3,748,803	3,748,803	3,748,803	-	-
Direct/Indirect Costs	(2,961,136)	(2,961,136)	(2,961,136)	-	-
Total Expenditures	\$ 1,040,977,196	\$ 1,040,977,196	\$ 1,053,691,686	\$ 12,714,490	\$ 12,714,490
Other Sources/(Uses)					
Transfers In	\$ 3,385,329	\$ 3,385,329	\$ 3,385,329	-	-
Transfers Out	(5,137,523)	(5,137,523)	(5,137,523)	-	-
Other Sources	-	-	-	-	-
Other Uses	-	-	-	-	-
Restricted Contribution	-	-	-	-	-
Total Sources/(Uses)	\$ (1,752,194)	\$ (1,752,194)	\$ (1,752,194)	\$ -	\$ -
Net Increase/Decrease in Fund Balance	\$ (38,349,520)	\$ (38,349,520)	\$ (41,875,474)	\$ (3,525,954)	\$ (3,525,954)
Beginning Fund Balance - Unaudited Audit Adjustment	\$ - \$ 137,470,473	\$ - \$ 137,470,473	\$ - \$ 139,328,848	\$ - \$ 1,858,375	\$ - \$ 1,858,375
Beginning Balance	\$ 137,470,473	\$ 137,470,473	\$ 138,422,174	\$ 951,701	\$ 951,701
Ending Fund Balance	\$ 99,120,953	\$ 99,120,953	\$ 96,546,700	\$ (2,574,253)	\$ (2,574,253)
Components of Ending Balance					
Revolving Cash	\$ 84,215	\$ 84,215	\$ 84,215	-	-
Stores	1,613,205	1,613,205	1,613,205	-	-
Prepaid Expense	374,792	374,792	374,792	-	-
Assigned: Other Assignments	14,815,737	14,815,737	10,674,112	(4,141,625)	(4,141,625)
Restricted	1	1	1	-	-
Reserve for Economic Uncertainties	82,233,003	82,233,003	83,800,375	1,567,372	1,567,372
Reserve Level %	7.86%	7.86%	7.91%		
Total Ending Fund Balance	\$ 99,120,953	\$ 99,120,953	\$ 96,546,700	\$ (2,574,253)	\$ (2,574,253)

Per Education Code section 42127(a)(2)(B) the minimum recommended reserve for economic uncertainties is 2% or \$21,176,584

As shown above the reserve for economic uncertainties is \$83,800,375 with an assigned ending balance of \$10,674,112 set aside for text book adoptions

As outlined in Board Policy 3100, the Board recognizes the importance of maintaining reserve levels during stable and volatile economic times.

UNRESTRICTED GENERAL FUND
ADJUSTMENT SUMMARY

DESCRIPTION	2019/20 ADOPTED BUDGET UNRESTRICTED	2019/20 CURRENT BUDGET UNRESTRICTED	2019/20 BUDGET REVISION #1 UNRESTRICTED	DIFFERENCE BETWEEN CURRENT AND BR#1	DIFFERENCE BETWEEN ADOPTED AND BR#1
Revenues					
LCFF Sources	\$ 778,979,477	\$ 778,979,477	\$ 780,330,472	\$ 1,350,995	\$ 1,350,995
Federal Revenues	-	-	-	-	-
Other State Revenues	14,559,815	14,559,815	14,698,297	138,482	138,482
Other Local Revenues	10,603,798	10,603,798	10,603,798	-	-
Total Revenues	\$ 804,143,090	\$ 804,143,090	\$ 805,632,567	\$ 1,489,477	\$ 1,489,477
Expenditures					
Certificated Salaries	\$ 334,957,300	\$ 334,957,302	\$ 343,360,588	\$ 8,403,286	\$ 8,403,288
Classified Salaries	87,136,029	87,241,629	87,241,629	-	105,600
Employee Benefits	188,713,166	188,713,167	191,514,262	2,801,095	2,801,096
Book and Supplies	41,353,539	41,265,609	40,118,371	(1,147,238)	(1,235,168)
Services & Operating	73,127,495	73,120,940	73,120,940	-	(6,555)
Capital Outlay	11,470,039	11,458,921	11,458,921	-	(11,118)
Other Outgo	1,714,803	1,714,803	1,714,803	-	-
Direct/Indirect Costs	(12,678,649)	(12,678,649)	(12,678,649)	-	-
Total Expenditures	\$ 725,793,722	\$ 725,793,722	\$ 735,850,865	\$ 10,057,143	\$ 10,057,143
Other Sources/(Uses)					
Transfers In	\$ 28,920	\$ 28,920	\$ 28,920	\$ -	\$ -
Transfers Out	(1,781,114)	(1,781,114)	(1,781,114)	-	-
Other Sources					
Other Uses					
Restricted Contribution	\$ (108,131,397)	\$ (108,131,397)	\$ (102,137,984)	\$ 5,993,413	\$ 5,993,413
Total Sources/(Uses)	\$ (109,883,591)	\$ (109,883,591)	\$ (103,890,178)	\$ 5,993,413	\$ 5,993,413
Net Increase/Decrease in Fund Balance	\$ (31,534,223)	\$ (31,534,223)	\$ (34,108,476)	\$ (2,574,253)	\$ (2,574,253)
Beginning Fund Balance - Adopted	\$ 130,655,175	\$ 130,655,175	\$ 131,561,849	\$ 906,674	\$ 906,674
Audit Adjustment	\$ -	\$ -	\$ -	\$ -	\$ -
Beginning Balance	\$ 130,655,175	\$ 130,655,175	\$ 130,655,175	\$ -	\$ -
Ending Fund Balance	\$ 99,120,952	\$ 99,120,952	\$ 96,546,699	\$ (2,574,253)	\$ (2,574,253)

FRESNO UNIFIED SCHOOL DISTRICT
RESTRICTED GENERAL FUND
ADJUSTMENT SUMMARY

DESCRIPTION	2019/20 ADOPTED BUDGET RESTRICTED	2019/20 CURRENT BUDGET RESTRICTED	2019/20 BUDGET REVISION #1 RESTRICTED	DIFFERENCE BETWEEN CURRENT AND BR#1	DIFFERENCE BETWEEN ADOPTED AND BR#1
Revenues					
LCFF Sources	\$ -	\$ -	\$ -	\$ -	\$ -
Federal Revenues	107,785,729	107,785,729	107,785,729	-	-
Other State Revenues	87,157,814	87,157,814	94,856,873	7,699,059	7,699,059
Other Local Revenues	5,293,237	5,293,237	5,293,237	-	-
Total Revenues	\$ 200,236,780	\$ 200,236,780	\$ 207,935,839	\$ 7,699,059	\$ 7,699,059
Expenditures					
Certificated Salaries	\$ 88,784,924	\$ 88,793,186	\$ 89,951,423	\$ 1,158,237	\$ 1,166,499
Classified Salaries	49,457,493	49,457,493	49,457,493	-	-
Employee Benefits	103,746,595	103,748,149	104,226,205	478,056	479,610
Book and Supplies	28,686,919	28,705,935	29,726,989	1,021,054	1,040,070
Services & Operating	27,489,090	27,460,258	27,460,258	-	(28,832)
Capital Outlay	5,266,940	5,266,940	5,266,940	-	-
Other Outgo	2,034,000	2,034,000	2,034,000	-	-
Direct/Indirect Costs	9,717,513	9,717,513	9,717,513	-	-
Total Expenditures	\$ 315,183,474	\$ 315,183,474	\$ 317,840,821	\$ 2,657,347	\$ 2,657,347
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	108,131,397	108,131,397	102,137,984	(5,993,413)	(5,993,413)
Total Sources/(Uses)	\$ 108,131,397	\$ 108,131,397	\$ 102,137,984	\$ (5,993,413)	\$ (5,993,413)
Net Increase/Decrease in Fund Balance	\$ (6,815,297)	\$ (6,815,297)	\$ (7,766,998)	\$ (951,701)	\$ (951,701)
Beginning Fund Balance - Adopted	\$ 6,815,298	\$ 6,815,298	\$ 7,766,999	\$ 951,701	\$ 951,701
Beginning Balance	\$ 6,815,298	\$ 6,815,298	\$ 7,766,999	\$ 951,701	\$ 951,701
Ending Fund Balance	\$ 1	\$ 1	\$ 1	\$ -	\$ -