

**SAN JUAN UNIFIED SCHOOL DISTRICT
BOARD OF EDUCATION**

AGENDA ITEM
MEETING DATE: 06/13/2017

SUBJECT: Public Hearing and Presentation of
2017-18 Budget

DEPARTMENT: Fiscal Services

CHECK ONE:
For Discussion:
For Action:
Report:
Workshop:
Recognition:
Emergency Action:

ACTION REQUESTED:

The superintendent is recommending that the board hold a public hearing and discuss the proposed 2017-18 Budget, including Staffing Standards, the use of Education Protection Account funds, and the substantiation of excess reserves (required by Senate Bill 858) as presented by the administration.

Action anticipated 6/27/17: Approval of 2016-17 budget revisions, adoption of 2017-18 budget, approval of 2017-18 EPA expenditure plan, and approval of 2017-18 excess reserves.

RATIONALE/BACKGROUND:

In accordance with Education Code 42127, the administration will present the 2017-18 Budget in preparation for anticipated adoption on June 27, 2017. The budget to be adopted shall be prepared in accordance with Education Code 42126. On December 13, 2016, the Board of Education received and approved the 2016-17 First Interim Report representing the district's budget status for the 2016-17 fiscal year and two subsequent years. On March 14, 2017, the 2016-17 Second Interim Report was submitted. A Third Interim report was not required this year, therefore proposed 2017-18 school site staffing guidelines were not presented for approval in May. Proposition 30 requires the use of EPA funds be determined by the governing board at an open public meeting. This requirement is at the annual budget adoption meeting. The district General Fund (Fund 01) and the dependent charter schools, Vision in Education and Choices (Fund 09), request approval by the governing board.

The governing board of a school district that proposes to adopt a budget that includes a combined assigned and unassigned ending fund balance in excess of the minimum recommended reserve for economic uncertainties, shall, at the budget adoption public hearing, provide: The minimum recommended reserve for economic uncertainties; The combined assigned and unassigned ending fund balances that are in excess of the minimum recommended reserve for economic uncertainties for each fiscal year identified in the budget; And per Education Code Section 42127(a)(2)(B), a statement of the reasons that substantiate the need for assigned and unassigned ending fund balances in excess of the minimum reserve standard for economic uncertainties. This information is in the budget report.

BOARD COMMITTEE ACTION/COMMENT:

Facilities Transportation and Finance Committee
1/17/17; 3/7/17; 4/4/17

PREVIOUS STAFF/BOARD ACTION:

Staffing Standards 2016-17: 6/28/16
First Interim: 12/13/16
Second Interim: 3/14/17

FINANCIAL DATA:

See attached budget document

PREPARED BY: Kent Stephens, Chief Financial Officer

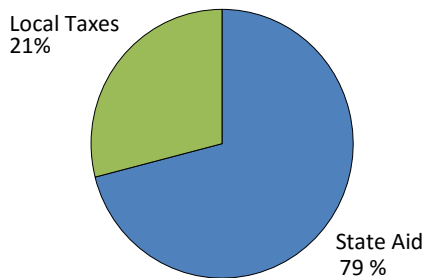
APPROVED BY: Kent Kern, Superintendent of Schools

Education Protection Account (EPA)

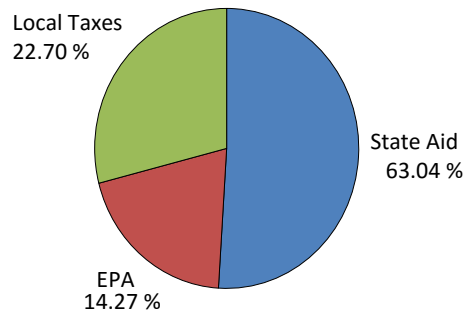
The Education Protection Account (EPA) provides local educational agencies (LEAs) with general purpose state aid funding pursuant to Proposition 30, the Schools and Local Public Safety Protection Act of 2012, approved by the voters on November 6, 2012. Proposition 55 (2016), continues the use of EPA. The EPA funding is a component of an LEA's or Charter School's total Local Control Funding Formula (LCFF) revenue. Proposition 55 takes effect on January 1, 2018, and remains in effect through December 31, 2030.

The revenues generated from Propositions 30 and 55 are deposited into the EPA and a corresponding reduction is made to the district's or charter school's LCFF revenue. For 2017-18, the reduction is approximately 14.27% of the total LCFF funding. The district began receiving EPA payments quarterly in Fiscal Year 2013-14.

Funding Before Proposition 30



Funding After Proposition 30



Proposition 30 requires that each LEA shall have sole authority to determine how the moneys received from the Education Protection Account are spent in the school or schools within its jurisdiction, provided, however, that **the appropriate governing board or body shall make these spending determinations in open session of a public meeting of the governing board or body and shall not use any of the funds from the Education Protection Account for salaries or benefits of administrators or for any other administrative costs.** An LEA may allocate the EPA entitlement entirely to one program for expenditure.

Propositions 30 and 55 require all districts, counties, and charter schools to report on their Web sites an accounting of how much money was received from the EPA and how that money was spent. District EPA information for previous years can be found by selecting the Budget Info link on the District's website.

Listed on the next page is the Education Protection Account Expenditure plan listing how the moneys received from the Education Protection Account are proposed to be spent in 2017-18.

Education Protection Account, Fund 01, Resource 1400
Projected Expenditures through: June 30, 2018

Description	Object Codes	Amount
AMOUNT AVAILABLE FOR THIS FISCAL YEAR		
Adjusted Beginning Fund Balance	9791-9795	
Revenue Limit Sources	8010-8099	47,336,869
Federal Revenue	8100-8299	
Other State Revenue	8300-8599	
Other Local revenue	8600-8799	
All Other Financing Sources and Contributions	8900-8999	
Deferred revenue	9650	
TOTAL AVAILABLE		47,336,869
EXPENDITURES AND OTHER FINANCING USES		
(Objects 1000-7999)	Function Code	
Instruction	1000-1999	47,336,869
Instruction-Related Services		
Instructional Supervision & Administration	2100-2150	
AU of a Multidistrict SELPA	2200	
Instructional Library, Media, and Technology	2420	
Other Instructional Resources	2490-2495	
School Administration	2700	
Pupil Services		
Guidance and counseling services	3110	
Psychological Services	3120	
Attendance and Social Work services	3130	
Health Services	3140	
Speech Pathology and Audiology Services	3150	
Pupil Testing Services	3160	
Pupil Transportation	3600	
Food Services	3700	
Other Pupil Services	3900	
Ancillary Services	4000-4999	
Community Services	5000-5999	
Enterprise	6000-6999	
General Administration	7000-7999	
Plant Services	8000-8999	
Other Outgo	9000-9999	
TOTAL EXPENDITURES AND OTHER FINANCING USES		47,336,869
BALANCE (Total Available minus Total Expenditures and Other Financing Uses)		-

Education Protection Account, Fund 09-Choices, Sub fund 08 Resource 1400
Expenditures through; June 30, 2018

Description	Object Codes	Amount
AMOUNT AVAILABLE FOR THIS FISCAL YEAR		
Adjusted Beginning Fund Balance	9791-9795	0
Revenue Limit Sources	8010-8099	324,010
Federal Revenue	8100-8299	
Other State Revenue	8300-8599	
Other Local revenue	8600-8799	
All Other Financing Sources and Contributions	8900-8999	
Deferred revenue	9650	
TOTAL AVAILABLE		324,010
EXPENDITURES AND OTHER FINANCING USES		
(Objects 1000-7999)	Function Code	
Instruction	1000-1999	324,010
Instruction-Related Services		
Instructional Supervision and Administration	2100-2150	
AU of a Multidistrict SELPA	2200	
Instructional Library, Media, and Technology	2420	
Other Instructional Resources	2490-2495	
School Administration	2700	
Pupil Services		
Guidance and counseling services	3110	
Psychological Services	3120	
Attendance and Social Work services	3130	
Health Services	3140	
Speech Pathology and Audiology Services	3150	
Pupil Testing Services	3160	
Pupil Transportation	3600	
Food Services	3700	
Other Pupil Services	3900	
Ancillary Services	4000-4999	
Community Services	5000-5999	
Enterprise	6000-6999	
General Administration	7000-7999	
Plant Services	8000-8999	
Other Outgo	9000-9999	
TOTAL EXPENDITURES AND OTHER FINANCING USES		324,010
BALANCE (Total Available minus Total Expenditures and Other Financing Uses)		0

Education Protection Account, Fund 09-Visions in Education, Resource 1400
Expenditures through; June 30, 2018

Description	Object Codes	Amount
AMOUNT AVAILABLE FOR THIS FISCAL YEAR		
Adjusted Beginning Fund Balance	9791-9795	
Revenue Limit Sources	8010-8099	6,648,604
Federal Revenue	8100-8299	
Other State Revenue	8300-8599	
Other Local revenue	8600-8799	
All Other Financing Sources and Contributions	8900-8999	
Deferred revenue	9650	
TOTAL AVAILABLE		6,648,604
EXPENDITURES AND OTHER FINANCING USES		
(Objects 1000-7999)	Function Code	
Instruction	1000-1999	6,648,604
Instruction-Related Services		
Instructional Supervision and Administration	2100-2150	
AU of a Multidistrict SELPA	2200	
Instructional Library, Media, and Technology	2420	
Other Instructional Resources	2490-2495	
School Administration	2700	
Pupil Services		
Guidance and counseling services	3110	
Psychological Services	3120	
Attendance and Social Work services	3130	
Health Services	3140	
Speech Pathology and Audiology Services	3150	
Pupil Testing Services	3160	
Pupil Transportation	3600	
Food Services	3700	
Other Pupil Services	3900	
Ancillary Services	4000-4999	
Community Services	5000-5999	
Enterprise	6000-6999	
General Administration	7000-7999	
Plant Services	8000-8999	
Other Outgo	9000-9999	
TOTAL EXPENDITURES AND OTHER FINANCING USES		6,648,604
BALANCE (Total Available minus Total Expenditures and Other Financing Uses)		0