



Huntington Beach City School District

GOVERNOR'S MAY REVISION

May 18, 2021

**Jenny Delgado
Assistant Superintendent/CBO**



Governor's May Revision

- Changes to the Governor's Proposed January Budget based upon the latest economic forecast
- Remarkable recovery of State's General Fund Budget
 - From \$54.0 billion deficit a year ago to a current-year surplus of \$75.7 billion
- On May 14, the Governor unveiled a \$100 billion California Comeback Plan
 - A combination of ongoing and one-time investments
- Includes a \$20 Billion Education Blueprint, a 5-year commitment



Funding for Education

- In 2021-22, Prop 98 increases from \$85.8 billion in January's Proposed Budget to \$93.7 billion in the May Revision

(in billions)

Proposition 98	January Budget	May Revision	Difference
K-14	\$85.8	\$93.7	+\$7.9
K-12	\$76.4	\$83.4	+\$7.0



- Proposes an additional \$1.1 billion to pay down deferrals, but still leaves a balance of \$2.6 billion at the end of 2021-22



Cost of Living Adjustment

- No COLA in the Budget Act of 2020
- May Revision updates the compounded COLA
- 4.05% COLA for Special Education
- 1.7% COLA for categorical programs (not including transportation)

	2021 - 2022		
	2020 Budget Act	January Budget	May Revision
2020-21	0%	2.31%	2.31%
2021-22		1.50%	1.74%
Subtotal		3.84%	4.05%
Add to LCFF*			1.02%
Total for LCFF			5.07%

*Local Control Funding Formula



May Revision Proposals

- **Universal Transitional Kindergarten - \$2.7 billion**
 - Expands TK to all 4-year-olds over a 3-year period starting in 2022-23
 - Provides a minimum of 3-hours of instruction
 - No details or resources for facilities or transportation
- **School Nutrition - \$100 million one-time funding**
 - Kitchen infrastructure upgrades and training for school cafeteria staff
- **Behavioral and Mental Health - \$4 billion (one-time) over 5 years**
 - Ages 0 - 25
- **Expanded Learning Time - \$1 billion, growing to \$5 billion in 2025-26**
 - Summer and afterschool programs for districts that receive concentration grants
- **Educator Workforce - \$3.3 billion in a multiyear package (one-time)**
 - Professional development programs (some proposals for high-need and high-poverty schools)



May Revision Observations

- Proposal includes significant one-time investments
 - Create new programs to discontinue later without a sustainable plan

- **Not** in the May Revision
 - Extension of the Average Daily Attendance Hold Harmless Provision
 - Funding to offset increasing pension cost
 - Unemployment insurance rate increase (from 0.05% to 1.23%) not covered by the state

- Overall, the May Revision brings welcome news to K-12 education

- California economy is recovering from the initial dark days of the pandemic



NEXT STEPS

State Level

- The Legislature has about one month to return its version to the Governor
- Once received, the Governor has 15 days to enact a final State Budget for 2021-22

Local Level

- Local Control and Accountability Plan and 2021-22 Budget
 - Public Hearing - June 15, 2021
 - Adoption - June 22, 2021