

HUNTINGTON BEACH CITY SCHOOL DISTRICT



User-Friendly Budget September 14, 2021



8750 Dorsett Drive
Huntington Beach, CA 92646

A message from:

The Office of the Assistant Superintendent of Administrative Services

This User-Friendly Budget (UFB) has been created as a tool to improve the level of transparency and communication with parents and community members. It is our intent to assist stakeholders in understanding the District's financial commitments aligned to the educational programs.

This issue of the UFB reflects the District's final 2020-21 revenues and expenditures after performing the fiscal year-end closing activities. These annual statements are known as Unaudited Actuals since the financial data has not been formally audited yet. We also include information on COVID-19 related expenditures and an update of facilities' summer projects.

Huntington Beach City School District is committed to supporting student achievement and to maintain fiscal stability during these unprecedented times. Your support for our students is so very important to their education and in making our schools and our community strong.

Sincerely,

Jenny Delgado
Assistant Superintendent,
Administrative Services



The Huntington Beach City School District, established in 1903, is located in the western coastal area of Orange County, approximately 35 miles southeast of Los Angeles. The District currently operates six elementary and two middle schools. The projected enrollment for the 2021-2022 school year is 5,100 students.



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District Information

Mission Statement

Our Mission is to support the academic and personal development of every student so that each student becomes a responsible, well-rounded individual who achieves success and fulfillment in a global environment.

Shared Values

High academic standards;

Belief that each child will learn to his or her highest potential;

Collaboration among staff, students, parents, and community for the benefit of all students;

Supportive, educational and professional environment;

Data and research-based instruction.

AT-A-GLANCE

2021-2022



SCHOOLS

- 6 Elementary
- 2 Middle
- 3 Preschool Academies
- 1 State Preschool Program
- 1 Charter



PROJECTED ENROLLMENT

- 5,100 Districtwide
- 22% Unduplicated
- 19% Socio-economical disadvantaged
- 12% Students with disabilities



ESTIMATED GENERAL FUND BUDGET

- Revenues **\$65M**
- Expenditures **\$66M**

Includes COVID-19 relief funds

District Budget Overview

The Purpose of the Budget

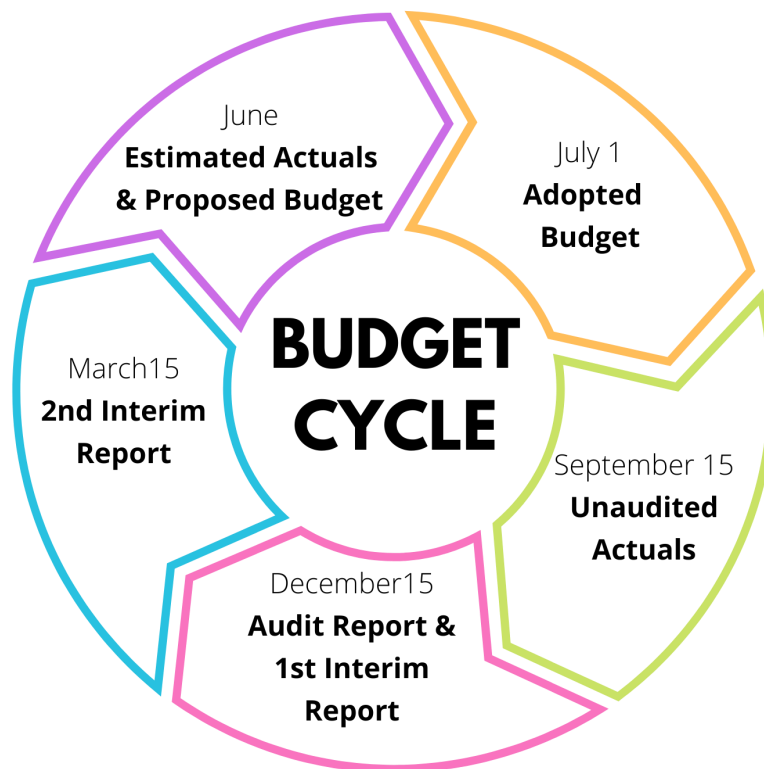
The District's Budget is an expression in dollars of its educational program. The budget serves as an outline for estimated revenue and expenses for the fiscal year and is intended to serve a variety of purposes:

- ◆ A reflection of the educational goals of the District
- ◆ A statement of the District priorities
- ◆ A financial guide for the utilization of resources to meet the needs of students
- ◆ An accountability tool and a public information document

The General Fund is the primary operating fund and it is used to account for the ordinary operations of the District. The General Fund includes all transactions except those accounted for in a specialized fund, like Nutrition Services, Measure Q, or Capital Projects.

The Budget Cycle

Education Code requires local education agencies to submit financial reports at least four times a year. The reports must follow State guidelines and meet pre-determined financial standards to measure risk factors and the overall fiscal solvency of the district.



General Fund Revenues

2020-21 Unaudited Actuals – September 14, 2021

The total revenues from the Local Control Funding Formula are \$53.9 million or 73% of the District total revenues. Driving factors for the LCFF apportionment calculation are: Average Daily Attendance (ADA); the percentage of unduplicated English Learners, Low-Income students, Foster Youth; and the cost of living adjustment. The last factor is determined at the state level. Due to the COVID-19 Pandemic, the state enacted a hold-harmless provision to continue funding districts based on the 2019-20 ADA. The 2020-21 LCFF Revenues include the hold-harmless provision.

Federal Revenues are \$5.7 million, State Revenues at \$8.9 million, and Other Local Revenues at \$4.8 million, representing 8%, 12%, and 7% respectively of total revenues.

	Restricted	Unrestricted	Total
LCFF Sources	\$0	\$53,966,007	\$53,966,007
Federal Revenues	\$5,541,526	\$138,870	\$5,680,396
Other State Revenues	\$7,591,272	\$1,337,005	\$8,928,277
Other Local Revenue	\$4,362,228	\$518,366	\$4,880,594
TOTAL REVENUES	\$17,495,026	\$55,960,248	\$73,455,274

The 2020-21 Federal and State revenues shown above include the COVID-19 relief funds received by the District to cover pandemic-related expenditures, such as strategies to address learning loss, provide social-emotional support, in-person and virtual instructions, personal protective equipment, cleaning and disinfecting measures, and provide all students with access to meals. Below is a breakdown of the 2020-21 COVID-19 Revenues and Expenditures. These funds are considered restricted and subject to expenditure reporting requirements and audits.

COVID-19 FUNDS	Federal	State	Total
TOTAL REVENUES	\$3,702,537	\$1,666,437	\$5,368,974
EXPENDITURES			
Salaries & Benefits	\$1,965,400	\$1,311,058	\$3,276,458
Supplies & Services	\$1,607,675	\$141,590	\$1,749,265
Capital Outlay		\$79,565	\$79,565
Indirect Cost	\$129,461	\$134,225	\$263,686
TOTAL EXPENDITURES	\$3,702,536	\$1,666,437	\$5,368,974

General Fund Expenditures

2020-21 Unaudited Actuals – September 14, 2021

	Total
Certificated Salaries	\$30,580,992
Classified Salaries	\$10,117,951
Employee Benefits	\$17,859,275
Books and Supplies	\$3,535,667
Services and Other Operating	\$5,248,487
Capital Outlay	\$187,591
Other/Transfers Out	\$1,663,942
TOTAL EXPENSES	\$69,193,905

The General Fund Expenditures for 2020-21 are \$69.2 million, with approximately 85% of those expenses covering the salaries and benefits of teachers and support service providers. Salaries and benefits are budgeted based on established staffing ratios and Board approved positions.

The 2020-21 Total Expenses also include \$5.3 million of pandemic-related expenditures funded by Federal and State COVID-19 relief funds as described on Page 5.

Expenses associated with State and Federal categorical programs are projected not-to-exceed program revenues, except for Special Education since the apportioned state funds are inadequate to meet the needs of students served. The General Fund contribution to categorical programs including Special Education and Routine Restricted Maintenance totals \$7.1 million.

School site expenditures of approximately \$452 thousand covered operational costs like instructional materials, postage, printing, office, and library supplies.

Stakeholders often inquire about the use of Lottery funds, which represents 2% of our annual General Fund budget or approximately \$1.2 million (\$199 per ADA). The District uses the funds to purchase textbooks, other instructional materials, and support site administrators.

A PEOPLE BUSINESS

Education is a service-oriented business where students are served by teachers and support service providers.

Approximately 85% of General Fund expenditures are for employees, including those who directly serve the children of this District.

Services are provided by teachers, nurses, counselors, librarians, psychologists, speech therapists, custodians, secretaries, clerks, maintenance workers, bus drivers, technical support personnel, instructional aides, substitutes, principals, supervisors, and other administrative and support staff.

Since our business relies so heavily on people, our budget is impacted by increasing costs of employee benefits and by the cost to attract and retain quality employees who are qualified to serve our children.

Facilities, Maintenance and Operations

Custodial and M&O Safety Training

Safety Training was provided to our Custodial and M&O teams on August 6th, 2021. The topics for the training included ladder safety, lifting procedures and back safety, and slips, trips, and falls prevention. Also, COVID 19 cleaning and disinfecting protocols were reviewed with the custodial staff.

Our goal is to provide safe, clean, and welcoming facilities to our students and staff.

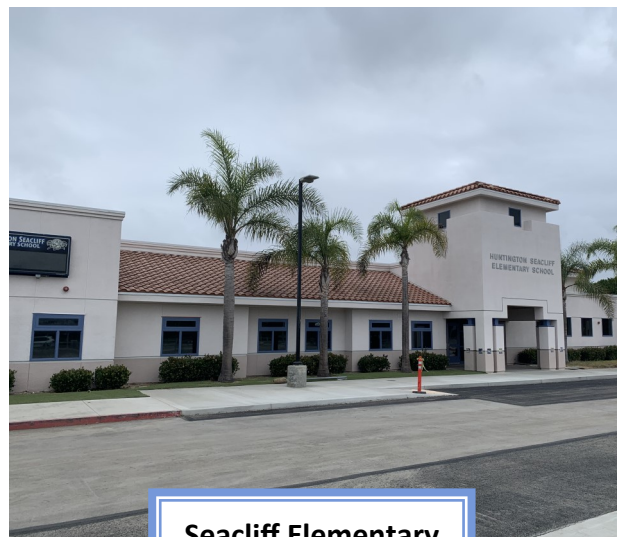


M&O Refreshed Relos

As part of the class size reduction, “relocatable” or “portable” classrooms were refreshed to be used as full time classroom spaces. This refresh occurred at Eader, Peterson and Smith. This work included replacement of carpets, ceiling tiles, repainting, repairs to handrails and installation of new backpack hooks. The M&O team took this work swiftly and professionally, displaying their versatility as true craftsmen.

Facilities 2021 Summer Construction

Our Measure Q team worked on three sites for modernization. Seaclyff Elementary’s Phase 2 modernization included side work improvements and modernization to the MPR and administrative offices. At Eader Elementary, site work and administrative office improvements were completed as the first phase of modernization. At Peterson Elementary, 21st-century classroom modernization will bring the latest technology to our students. Eader and Peterson will reverse roles next summer, with Eader construction focusing on classrooms and Peterson focusing on site work.



Seaclyff Elementary

Measure Q Update

At the November 8th, 2016 Election, Voters approved HBCSD Bond Measure Q.

Measure Q will provide \$159,850,000 in locally controlled funds to repair and upgrade HBCSD schools across the District.

Measure Q will cost approximately \$27 per \$100,000 of assessed property value (not market value) annually, or about \$175 per year for the average residence.

Upcoming Construction Schedule

Fall 2021 — Bidding for the District Central Kitchen project will commence with construction starting immediately after.

Summer 2022 — Eader Classroom Modernization, Peterson Site Improvements.

Construction

Construction teams have substantially completed the Summer 2021 construction projects at Eader, Peterson and Seaclyff. Teams will work on punchlist items as school returns, during off hours or in a manner limiting disruptions to the students and site.

Sowers Middle School

The Board has narrowed the options for modernization of the current campus or modular reconstruction. The project team continues to study the site to provide information needed for final decisions. Additional Sowers project info can be found [here](#) and in upcoming Board of Education meetings.

Citizens' Bond Oversight Committee (CBOC)

The 7-member committee acts independently from the Board of Education to promote transparency and provide assurances to the District taxpayers. The CBOC has an upcoming meeting with District staff on October 20th, 2021 at Peterson Elementary School.

Find more info about Measure Q at HBCSDMeasureQ.com

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