

HUNTINGTON BEACH CITY SCHOOL DISTRICT

TO: Leisa Winston, Ed.D.
Superintendent

FROM: Jenny Delgado
Assistant Superintendent of Administrative Services

DATE: August 16, 2022

SUBJECT: **2022-23 BUDGET REPORT - 45 DAY REVISION**

BACKGROUND:

The District's Budget Adoption Projections of income and expenditures for 2022-23 were developed based on the May Revise of the Governor's January Budget Proposal and advisories from the Orange County Department of Education and School Services of California.

Governor Newsom signed the State Budget on June 27, 2022. Education Code Section 42127 (h) states that not later than 45 days after the Governor signs the annual Budget Act, the school district shall make available for public review any revisions in revenues and expenditures that it has made to its budget to reflect the funding made available by that Budget Act.

Staff will present an update on the Enacted State Budget, including the attached revisions to the District's revenues as a result of the Budget Act and other expenditure adjustments made since the adoption of the 2022-23 District Budget on June 21, 2022.

FISCAL IMPACT:

This item is for information only.

Enacted Budget Act

Fiscal Impact to HBCSD 2022-23 Budget

Estimated Revenues

	2022-23
LCFF Revenues (Augmentation, 3-year Avg., & ADA Relief)	\$4,085,967
Transitional Kindergarten Add-On Funds	\$ 243,184
Additional LCFF Revenues	\$4,329,151

Estimated Grant Allocations

	2022-23
Expanded Learning Opportunities Program	\$ 855,841
Arts, Music, & Instructional Materials Block Grant*	\$3,098,858
Learning Recovery Emergency Block Grant*	\$2,453,314
Additional Grant Allocations	\$6,408,013

* School Services Estimate 8/2/2022

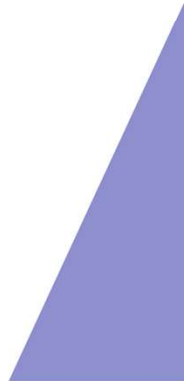




Fiscal Impact to HBCSD 2022-23 Budget

Expenditure Adjustments since Adopted Budget

	2021-22
Approved 2021-22 Bargaining Agreements (7/19/2022)	\$3,909,944
Transportation, Health Services & Sp. Ed. MOU's	\$ 312,242
Additional Supervision Hours	\$ 253,429
Expanded Learning Opportunities Program	\$ 855,841
Universal Transitional Kindergarten Expenses	\$ 243,184
Total Expenditure Increases	\$5,574,640



**Huntington Beach City School District
2022-23 Adopted Budget
45-Day Revision**

Combined General Fund

	Adopted	45-Day Revision	Changes
REVENUES			
Local Control Funding Formula Sources (8011-8199)	\$ 54,749,963	\$ 59,079,114	\$ 4,329,151
Other Federal Revenues (8200-8499)	3,146,307	\$ 3,146,307	-
Other State Revenues (8500-8699)	6,959,722	\$ 13,367,735	\$ 6,408,013
Other Local Revenues (8700-8899)	6,563,437	\$ 6,563,437	-
TOTAL REVENUES	\$ 71,419,429	\$ 82,156,593	\$ 10,737,164
EXPENDITURES			
Certificated Salaries (1000-1999)	\$ 31,506,866	\$ 33,868,068	\$ 2,361,202
Classified Salaries (2000-2999)	10,691,821	\$ 11,875,393	1,183,572
Employee Benefits (3000-3999)	20,341,523	\$ 21,272,364	930,841
Books and Supplies (4000-4999)	1,103,904	\$ 1,347,088	243,184
Services, Other Operating Expenses (5000-5999)	5,025,924	\$ 5,881,765	855,841
Capital Outlay (6000-6599)	550,784	\$ 550,784	-
Other Outgo (7100-7299) (7400-7499)	1,010,300	\$ 1,010,300	-
Direct Support/Indirect Cost (7300-7399)	(51,000)	\$ (51,000)	-
TOTAL EXPENDITURES	\$ 70,180,122	\$ 75,754,762	\$ 5,574,640
OPERATING SURPLUS (DEFICIT)	\$ 1,239,307	\$ 6,401,831	\$ 5,162,524
TRANSFERS IN & OTHER SOURCES (8910-8979)	\$ -	\$ -	\$ -
TRANSFERS OUT & OTHER USES (7610-7699)	\$ 200,000	\$ 200,000	\$ -
CONTRIBUTIONS (8980-8999)	\$ -	\$ -	\$ -
CURRENT YEAR INCREASE (DECREASE) IN FUND BALANCE	\$ 1,039,307	\$ 6,201,831	\$ 5,162,524
BEGINNING BALANCE	\$ 18,558,299	\$ 18,558,299	\$ -
Prior-Year Adjustments/Restatements (9793/9795)	\$ -	\$ -	\$ -
CURRENT-YEAR ENDING BALANCE	\$ 19,597,606	\$ 24,760,130	\$ 5,162,524
COMPONENTS OF ENDING BALANCE:			
Nonspendable Reserves (9711-9719)	\$ 35,000	\$ 35,000	\$ -
Restricted Reserves (9740)	\$ 7,168,343	\$ 12,720,515	\$ 5,552,172
Stabilization Arrangements (9750)	\$ -	\$ -	\$ -
Other Commitments (9760)	\$ 6,112,499	\$ 6,335,484	\$ 222,985
Other Assignments (9780)	\$ -	\$ -	\$ -
Reserve for Economic Uncertainties (9789)	\$ 2,111,404	\$ 2,278,643	\$ 167,239
Unassigned/Unappropriated (9790)	\$ 4,170,360	\$ 3,390,488	\$ (779,872)

**Huntington Beach City School District
2022-23 Adopted Budget
45-Day Revision**

State Reserve Standard

	Adopted	45-Day
Total Expenditures, Transfers Out, and Uses (Including Cost of Proposed Agreement)	\$ 70,380,122	\$ 75,954,762
State Standard Minimum Reserve Amount for this District (For districts with less than 1,001 ADA, this is the greater of Line a, times Line b. OR \$50,000)	\$ 2,111,404	\$ 2,278,643

Budgeted Unrestricted Reserve

General Fund Budgeted Unrestricted Reserve for Economic Uncertainties (9789)	\$ 2,111,404	\$ 2,278,643
General Fund Budgeted Unrestricted Unassigned/Unappropriated Amount (9790)	\$ 4,170,360	\$ 3,390,488
Special Reserve Fund (Fund 17) Budgeted Reserve for Economic Uncertainties (9789)	\$ -	\$ -
Special Reserve Fund (Fund 17) Budgeted Unassigned/Unappropriated Amount (9790)	\$ -	\$ -
Total Available Reserves	\$ 6,281,764	\$ 5,669,131
Reserve for Economic Uncertainties Percentage	3.00%	3.00%

	<u>Adopted</u>	<u>45-Day</u>
Do unrestricted reserves meet the state minimum reserve amount?	YES	YES

Budgeted Assigned and Unassigned Reserves

General Fund Assigned Reserves (9780)	\$ -	\$ -
General Fund Budgeted Reserve for Economic Uncertainties (9789)	2,111,404	2,278,643
General Fund Budgeted Unrestricted Unassigned/Unappropriated Amount (9790)	4,170,360	3,390,488
Special Reserve Fund (Fund 17) Budgeted Reserve for Economic Uncertainties (9789)	-	-
Total Reserves subject to 10% Cap	\$ 6,281,764	\$ 5,669,131
Assigned and Unassigned Reserve Percentage	8.93%	7.46%

	<u>Adopted</u>	<u>45-Day</u>
Are assigned and unassigned reserves under the state reserve cap?	YES	YES