

# 2021-22 Estimated Actuals & 2022-23 Budget



# Presentation Overview



Budgetary Building Blocks



2022-23 Budget Overview for Parents



Multi-Year Projections



State Budget Update



Next Steps



# Budgetary Building Blocks - Revenues

- Local Control Funding Formula (LCFF)

Factors	2022-23	2023-24	2024-25
Enrollment	4,740	4,610	4,500
Attendance Rate	94.71%	94.71%	94.71%
Unduplicated %	21.41%	21.54%	22.06%
COLA*	6.56%	5.38%	4.02%

\*Cost of Living Adjustment reflects Governor's May Revision

- Estimated property tax growth of 4% annually
  - Community-funded status in 2022-23 under current funding law
- Does not include:
  - 3-year average ADA\*\* or other LCFF funding proposals
  - One-time funding proposals

\*\*Average Daily Attendance



# Cost of Living Adjustment - COLA

6.56%

Huntington Beach City Elementary (66530) - Esti		2021-22						2022-23					
LOCAL CONTROL FUNDING FORMULA		2021-22						2022-23					
LCFF ENTITLEMENT CALCULATION		2021-22						2022-23					
Calculation Factors	COLA & Augmentation		Base Grant Proration		Unduplicated Pupil Percentage		COLA & Augmentation		Base Grant Proration		Unduplicated Pupil Percentage		
	5.07%		0.00%		22.01% 22.01%		6.56%		0.00%		21.99% 21.99%		
	ADA	Base	Grade Span	Supplemental	Concentration	Total	ADA	Base	Grade Span	Supplemental	Concentration	Total	
Grades TK-3	2,618.50	\$ 8,093	\$ 842	\$ 393	\$ -	\$ 24,426,203	1,841.56	\$ 8,624	\$ 897	\$ 419	\$ -	\$ 18,304,662	
Grades 4-6	2,106.16	8,215		362	-	18,063,743	1,622.55	8,754		385	-	14,828,465	
Grades 7-8	1,512.98	8,458		372	-	13,360,099	1,186.21	9,013		396	-	11,161,513	
Grades 9-12	-	9,802	255	443	-	-	-	10,445	272	471	-	-	
Subtract Necessary Small School ADA and Funding	-	-	-	-	-	-	-	-	-	-	-	-	
<b>Total Base, Supplemental, and Concentration Grant</b>		\$ 51,290,410	\$ 2,204,777	\$ 2,354,858	\$ -	\$ 55,850,045		\$ 40,776,746	\$ 1,651,883	\$ 1,866,011	\$ -	\$ 44,294,640	
NSS Allowance		-	-	-	-	-		-	-	-	-	-	
<b>TOTAL BASE</b>	6,237.64	\$ 51,290,410	\$ 2,204,777	\$ 2,354,858	\$ -	\$ 55,850,045	4,650.32	\$ 40,776,746	\$ 1,651,883	\$ 1,866,011	\$ -	\$ 44,294,640	
<b>ADD ONS:</b>													
Targeted Instructional Improvement Block Grant						\$ 409,814						\$ 409,814	
Home-to-School Transportation						462,021						462,021	
Small School District Bus Replacement Program						-						-	
<b>ECONOMIC RECOVERY TARGET PAYMENT</b>													
<b>LCFF ENTITLEMENT</b>						\$ 56,721,880						\$ 45,166,475	

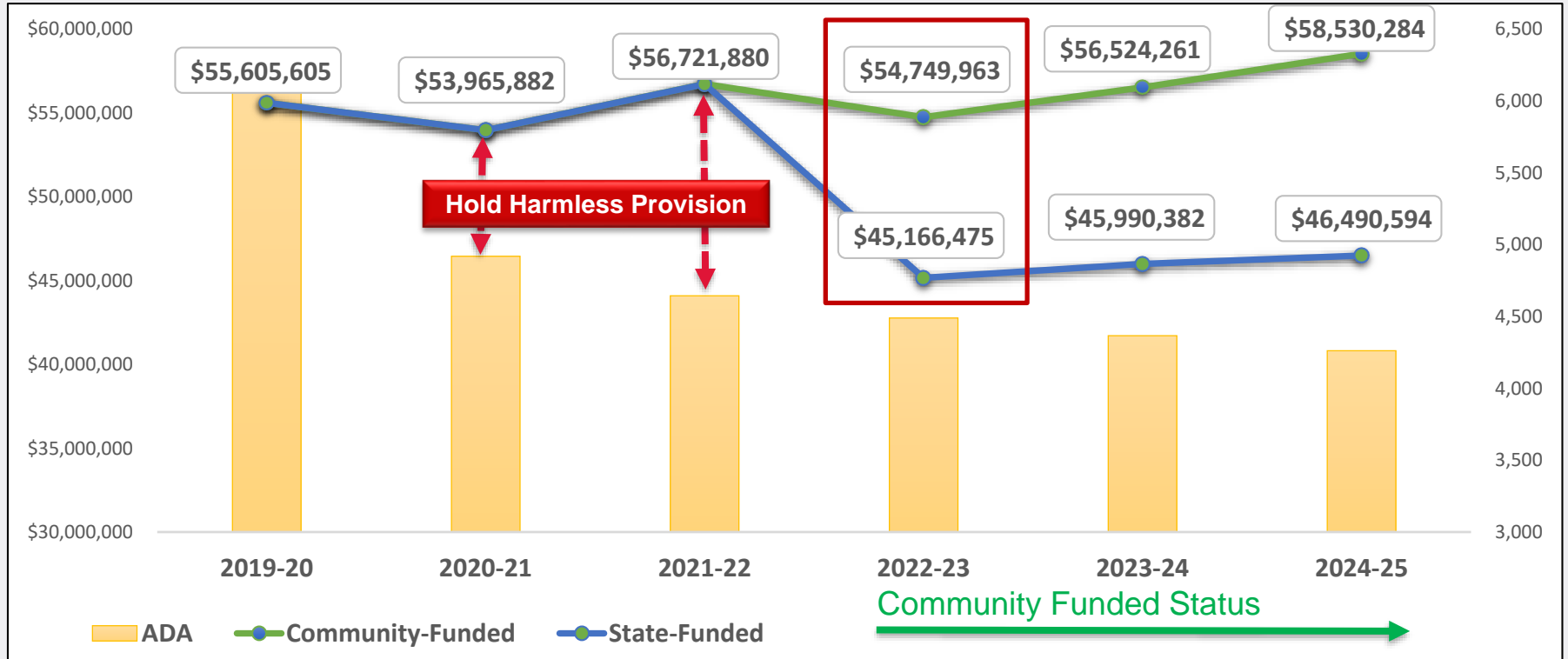
Hold Harmless ADA

Prior Year ADA

- 20.37%

# LCFF Revenues & ADA Comparison

Funding based on the greater of prior or current year ADA



# Budgetary Building Blocks - Expenditures

- Salaries & Benefits

- Cost of Step and Column

- Certificated & Leadership: 2% of salaries

- Classified: 1.5% of salaries

- Employer Benefit Rates

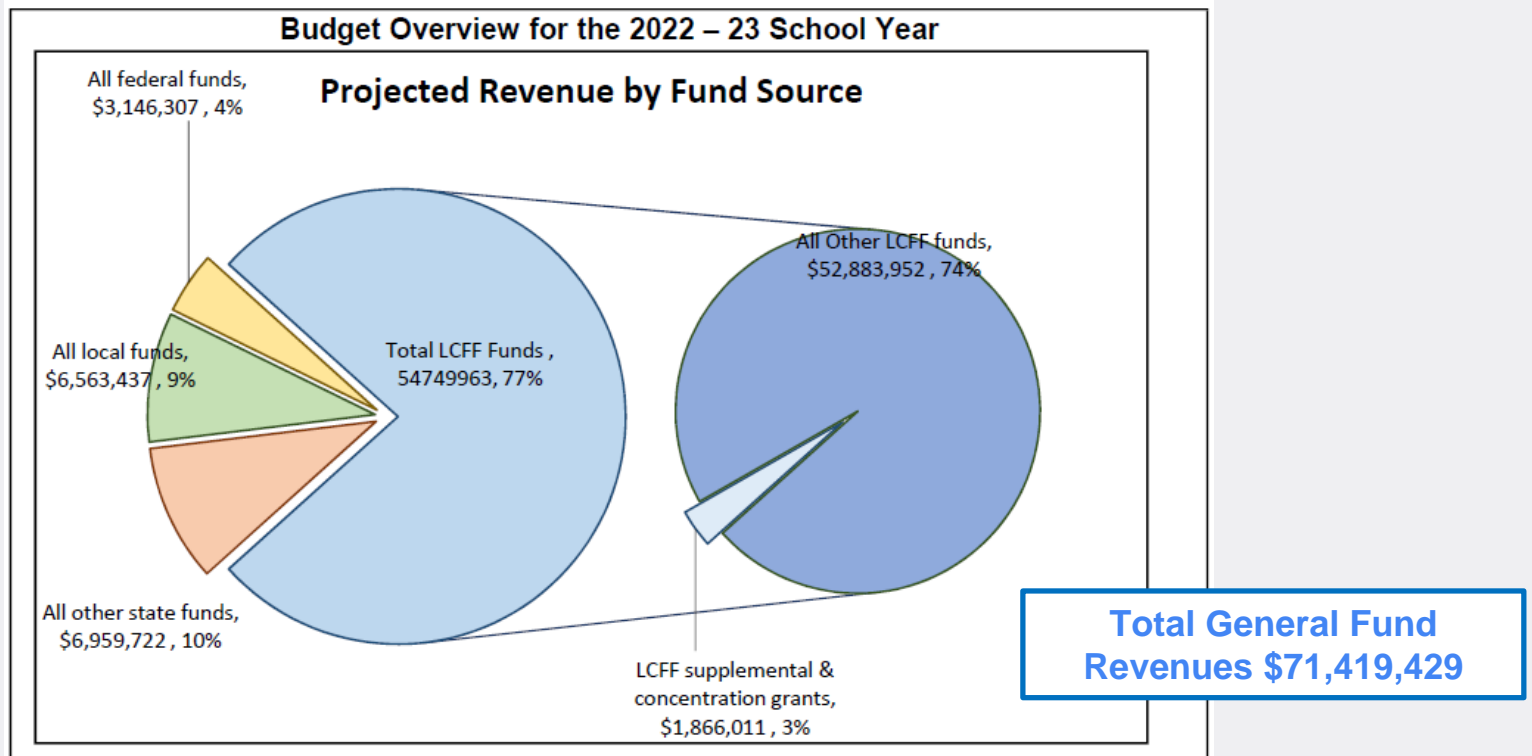
	2022-23	2023-24	2024-25
CalSTRS	19.10%	19.10%	19.10%
CalPERS	25.37%	25.20%	24.60%
Unemployment	0.50%	0.50%	0.50%

- \$2 million one-time budgeted COVID funds

- Does not include outcome of labor negotiations

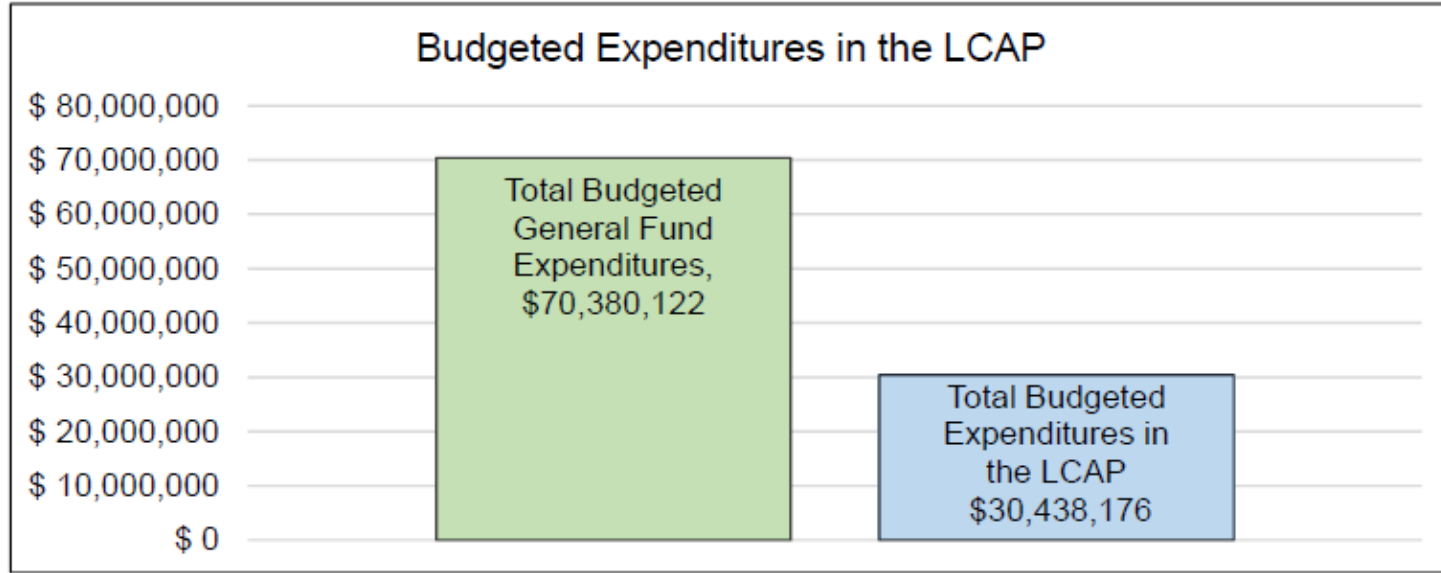


# 2022-23 Revenues - Budget Overview for Parents



This chart shows the total general purpose revenue Huntington Beach City School District expects to receive in the coming year from all sources.

# 2022-23 Expenditures - Budget Overview for Parents



This chart provides a quick summary of how much Huntington Beach City School District plans to spend for 2022 – 23. It shows how much of the total is tied to planned actions and services in the LCAP.





# Multi-Year Projections

	2021-22	2022-23	2023-24	2024-25
<b>TOTAL REVENUES</b>	<b>79,932,220</b>	<b>71,419,429</b>	<b>70,458,977</b>	<b>72,465,000</b>
<b>TOTAL EXPENDITURES</b>	<b>72,182,777</b>	<b>70,380,122</b>	<b>68,118,722</b>	<b>68,993,939</b>
<b>CHANGE IN FUND BALANCE</b>	<b>5,749,443</b>	<b>1,039,307</b>	<b>2,340,255</b>	<b>3,471,061</b>
BEGINNING BALANCE	12,808,855	18,558,299	19,597,606	21,937,861
<b>PROJECTED ENDING BALANCE</b>	<b>18,558,299</b>	<b>19,597,606</b>	<b>21,937,861</b>	<b>25,408,922</b>
Components of the Ending Fund Balance				
Stores, Revolving Cash, and Restricted Reserves	(6,835,188)	(7,203,343)	(8,255,576)	(9,812,673)
Other Committed Reserves	(2,286,995)	(3,297,294)	(3,816,805)	(3,452,816)
Board Policy Additional Reserve 4%	(2,887,311)	(2,815,205)	(2,724,749)	(2,759,758)
Reserve for Economic Uncertainty 3%	(2,165,484)	(2,111,404)	(2,043,562)	(2,069,818)
<b>UNASSIGNED AMOUNT</b>	<b>4,383,321</b>	<b>4,170,360</b>	<b>5,097,169</b>	<b>7,313,857</b>

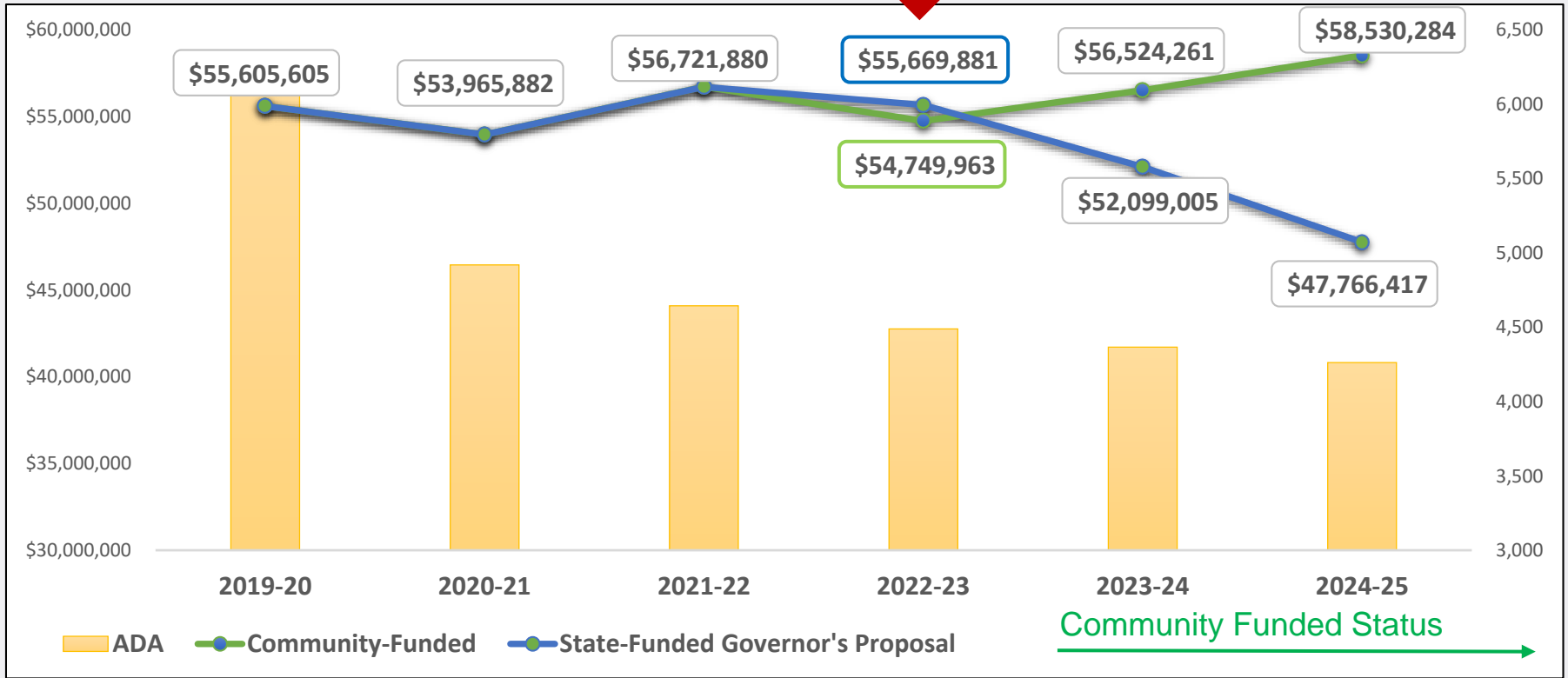
# State Budget Update: Governor's May Revision

- \$12.7 billion to increase the Local Control Funding Formula and the Expanded Learning Opportunities Program
- Measures to provide a softer landing to the anticipated ADA cliff districts are facing:
  - using prior 3-year average ADA
  - applying the greater of 2019-20 or 2021-22 attendance rate to the 2021-22 student enrollment to calculate the 2021-22 ADA
- \$8 billion one-time Discretionary Block Grant
  - estimated at \$1,500 per ADA
- \$300 million one-time funds for STEM professional learning
- \$1.7 billion one-time for deferred maintenance projects
- Does not include:
  - Additional funding for home-to-school transportation or pension relief



# 3-Year Average ADA Scenario (includes UTK add-on funding)

Funding would be based on the greater of current year, prior year, or prior 3-year's average ADA



This is a modeling calculation and subject to change.

# State Budget Update: Legislature Budget Bill

- \$4.5 billion ongoing above the Governor's May Revision to increase the Local Control Funding Formula
- Includes the Governor's proposal to add the average of 3 prior years to calculate LCFF funding
- \$8.5 billion one-time "Learning Recovery Discretionary Block Grant"
  - Must be used for salaries, benefits, and employer contributions to benefits and pension cost
- Rejects adjusting the 2021-22 ADA using 2019-20 absence rates



# State Budget Update: Legislature Budget Bill

- Other rejected proposals:
  - \$300 million one-time funds for STEM professional development
  - \$1.7 billion one-time for deferred maintenance projects
- Home-to-school transportation
  - \$1.2 billion to increase funding
  - Districts would be required to offer transportation to students in grades TK-6 and low-income students starting in 2027-28
  - Prohibits charging pupil fees for transportation
  - Funds would be provided using a weighted formula
- Follow-up legislation is expected in the coming weeks



# Next Steps



## State Level

- Budget Bill approved by Legislature by June 15
- The Governor could eliminate/reduce expenditures or language
- Final budget deal by June 30

## Local Level

- LCAP & Budget Adoption – June 21
- 45-Day Revision – August
- 2021-22 Unaudited Actuals – September



For more information, please visit our website [www.hbcsd.us/Administrative Services](http://www.hbcsd.us/AdministrativeServices)

