

# Huntington Beach City School District 2010-11 Budget



# 2010-11 Budget – Revenue Limit

1.1

- The Revenue Limit provides over 73.5 percent of our funding....

■ 2010-11	\$4,720.14
■ 2009-10	\$4,720.49
■ 2008-09	\$5,383.21
■ 2007-08	\$5,526.41
■ 2006-07	\$5,285.41
■ 2005-06	\$4,887.50
■ 2004-05	\$4,628.13

- Revenue Limit funding is 14.59 percent lower than the Revenue Limit funding for the 2007-08 fiscal year.

## 2010-11 Budget – Revenue Limit

1.2

- A temporary reduction to the Revenue Limit of \$253 per ADA was implemented as part of the 2009-10 State Budget.
- This temporary Revenue Limit reduction was to be restored for 2010-11.
- The May Revision included a permanent, ongoing Revenue Limit reduction of \$234



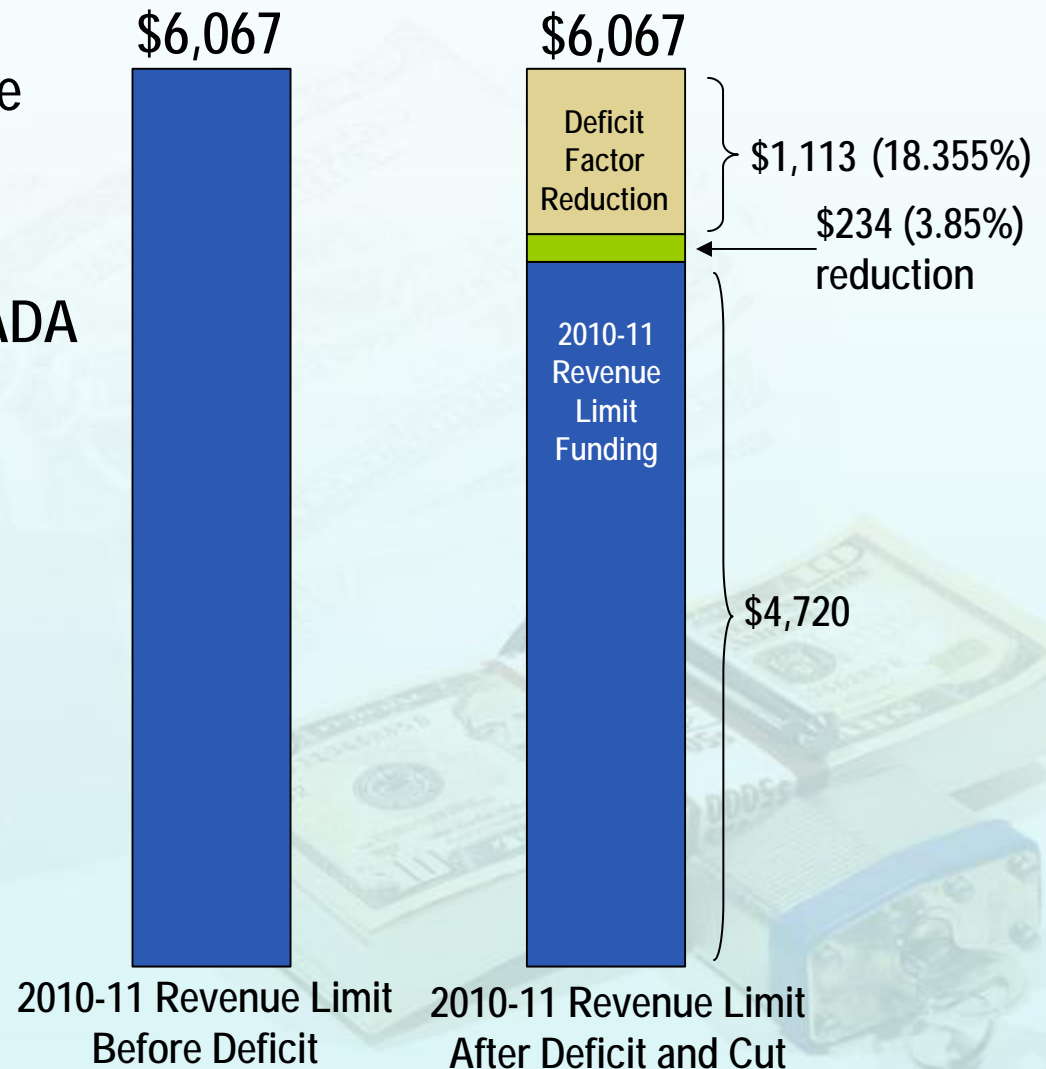
# 2010-11 Deficit Applied to Huntington Beach City School District

1.3

- Apply the 2010-11 deficit of 18.355% to undeficit revenue limit per ADA
- Apply the 3.85% cut to the undeficit revenue limit per ADA

## Example

$$\begin{aligned}
 &\text{Funded revenue limit} \\
 &= \$6,067 - (\$6,067 \times 0.18355 + \\
 &\quad \$6,067 \times 0.0385) \\
 &= \$6,067 - (\$1,113 + \$234) \\
 &= \$6,067 - \$1,347 \\
 &= \$4,720
 \end{aligned}$$



# 2010-11 Budget – COLA Increases

1.4

- Statutory Cost of Living Increases (COLA) provided by School Services of California, Inc. Financial Projection Dartboard were used to develop Multi-Year Projections

■ 2010-11	-0.39%
■ 2011-12	2.10%
■ 2012-13	2.40%

- Funding for future COLA increases are dependent on State of California revenues and the Legislative process.

# 2010-11 Budget – Enrollment/ADA

1.5

- Average Daily Attendance is our enrollment multiplied by our attendance rate

■ 2009-10                      6,602

■ 2010-11                      6,602

Projected for future years

■ 2011-12                      6,574

■ 2012-13                      6,574



## 2010-11 Budget – Reductions Implemented

1.6

- Board approved budget reductions including increased class sizes, energy savings, staff reductions, increased use of categorical flexibility and savings from retirements have been included in the 2010-11 and multiyear projections. The 2010-11 budget has been reduced by the following amount when compared to 2009-10:

● **\$2,099,290**

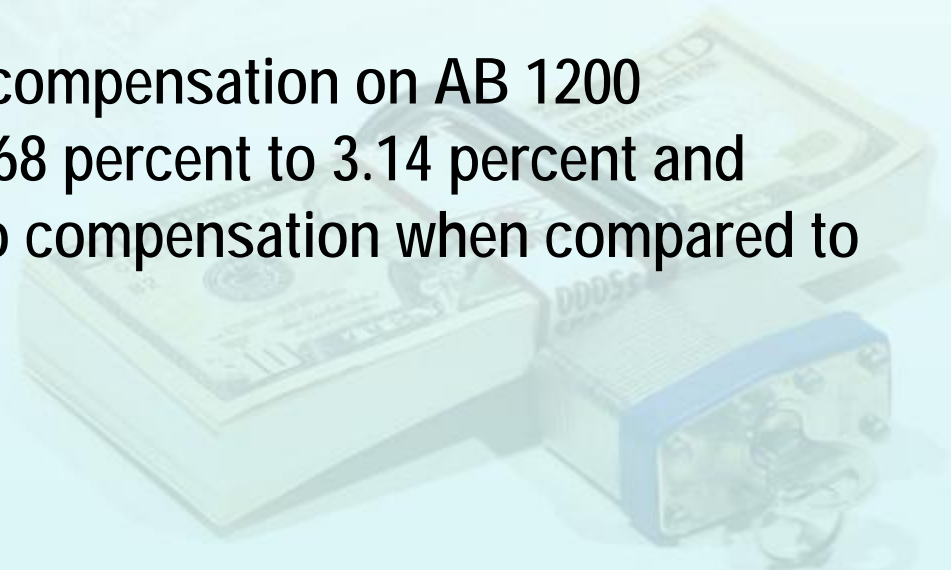




# 2010-11 Budget – Negotiated Reductions

1.8

- The percentage reduction to employee compensation (previously budgeted) for 2010-11 and 2011-12 equals:
  - 2010-11                      4.56 percent
  - 2011-12                      5.02 percent
- Percentage decreases to compensation on AB 1200 disclosures range from 2.68 percent to 3.14 percent and reflect actual decreases to compensation when compared to 2009-10 actual costs.



# 2010-11 Budget – Future Reductions Needed

1.9

- After including all the information we currently know about our budgets for 2011-12 and 2012-13, the following ongoing reductions are still needed to remain fiscally solvent:

■ 2011-12                      \$1,201,750

■ 2012-13                      \$3,450,000

- Reductions for 2012-13 will be reduced by \$1 million if CSR flexibility provisions are extended for 2012-13

# The State Budget – California Woes

1.10

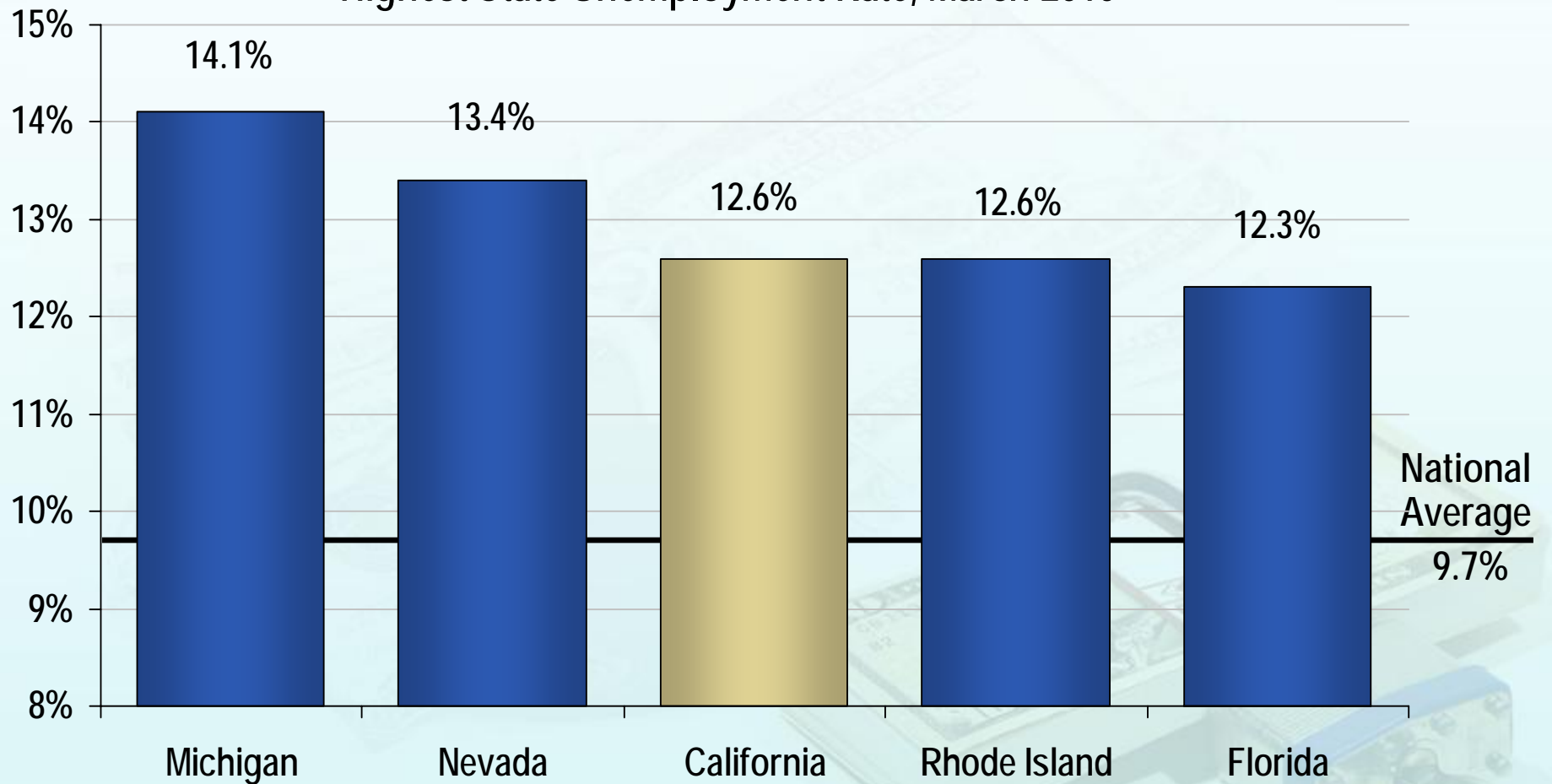
- The state economy drives General Fund revenues through three major taxes: personal income tax, sales and use tax, and corporate tax.
- Signs of recovery are beginning to emerge but high unemployment in California is a key to recovery ... it may take time for the unemployment picture to improve in this state!



# California's Unemployment Rate vs. Other States

1-11

Highest State Unemployment Rate, March 2010



Source: U.S. Bureau of Labor Statistics, April 2010

# Multiyear Projections

1-12

- Multiyear projections (MYPs) are required by AB 1200/AB 2756
- Projections will change anytime the underlying factors change – therefore, plan for change

**“If they don’t change, we aren’t doing our jobs!”**



# 2010-11 Budget Schedule

1-13

- 2010-11 State Budget Approved – Date Uncertain
- First Interim Financial Report – December 15, 2010
- Second Interim Financial Report – March 15, 2011
- 2011-12 Budget – June 30, 2011



Thank You to School Services of California, Inc. for providing data for this presentation!

School  
Services  
of California  
INC.™



# Huntington Beach City School District

## Energy Efficiency and Solar Project Update

June 22, 2010



## California Solar Initiative Incentives at Level 5 vs. Levels 6 and 7

- By being proactive and making a timely decision, the HBCSD Board ensured that the District received the California Solar Initiative (CSI) funding at Level 5
- Currently Level 6 is over-subscribed and applications are being accepted for Level 7

California Solar Initiative Incentive				Differences Between Steps over Five years
	Step 5	Step 6	Step 7	
Year 1	\$ 251,031.68	\$ 203,963.24	\$ 149,050.06	<b>Step 5 and Step 6</b>
Year 2	\$ 249,274.56	\$ 202,535.58	\$ 148,006.77	\$ 232,070.40
Year 3	\$ 247,529.60	\$ 201,117.80	\$ 146,970.70	<b>Step 6 and Step 7</b>
Year 4	\$ 245,796.80	\$ 199,709.90	\$ 145,941.85	\$ 270,748.80
Year 5	\$ 244,076.16	\$ 198,311.88	\$ 144,920.22	<b>Step 5 and Step 7</b>
<b>Total</b>	<b>\$ 1,237,708.80</b>	<b>\$ 1,005,638.40</b>	<b>\$ 734,889.60</b>	<b>\$ 502,819.20</b>

**The project will provide 14 direct, local opportunities for employment, generate 67 indirect jobs, and create an estimated \$664,000 to \$1.3 million in local economic stimulus.**



Huntington Beach City School District	Economic Impact		
	Jobs	\$'s to the Economy	
Solar	7	\$210,000	
Lighting Retrofits	4	\$89,000	
HVAC	3	\$33,000	
TOTAL:	Direct:	14	\$332,000
	Indirect & Induced:	67	\$664,000-\$1.3MM

Source: Navigant Consulting, Inc. estimates of blended commercial and utility markets.

Source: Recent NREL study, "Energy, Economic, and Environmental Benefits of the Solar America Initiative," 8/07

Source: Economic Multipliers calculated using IMPLAN regional economic modeling