

# Budget Update

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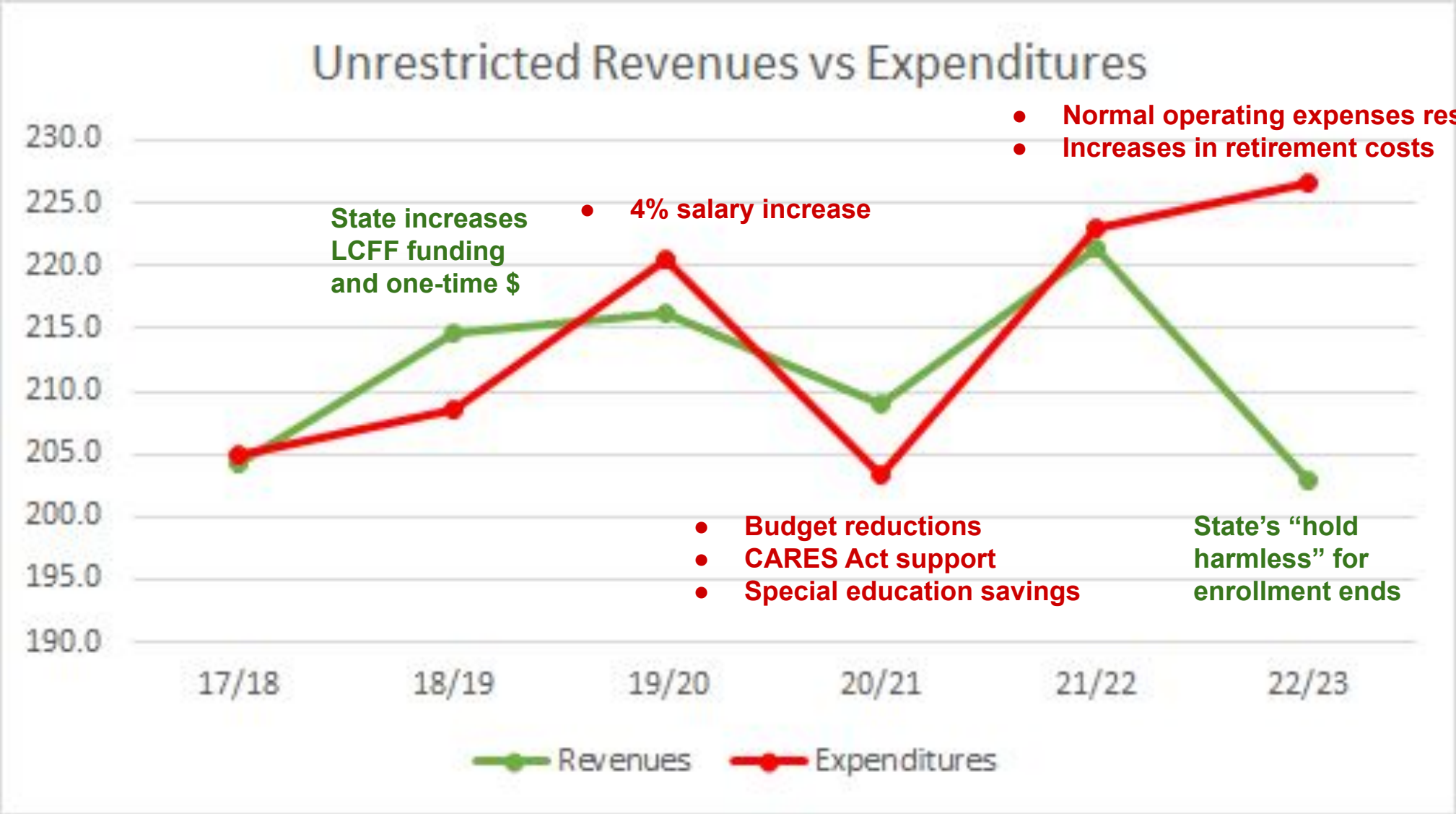


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# HUSD Budget - 5 Year Perspective



## 2022-23 Budget Planning

Next Year's Projected Unrestricted Budget	2022-23
Revenues	\$202.9M
Expenditures	\$226.7M
<b>Difference in Revenues and Expenditures</b>	<b>(23.8M)</b>
Available district reserves	\$9.4M
<b>Total Shortfall</b>	<b>(\$14.4M)</b>

- The state's "hold harmless" for drops in enrollment ends after 2021-22
  - LCFF Per ADA for 2022/23 is \$11,665 (an increase of ~2.5%, but total funding drops by ~\$20M due to fewer students)
- Bay area districts are facing major budget deficits in 2022-23\*
  - Oakland ~ \$58M
  - WCCUSD ~ \$30M
  - SFUSD ~ \$116M

\* [California Schools Are Running Out of Money](#) - Cal Matters

# Restricted Funds and COVID Relief Funds

**Q:** Can restricted\* and COVID relief funds address our structural deficit?

**A:** No. These funds may mitigate some of the impact of a decline in unrestricted funds, but they do not address our structural deficit.

**One-Time  
Funds**

**Grant  
Funds**

**Specific  
Focus Areas**

\* Restricted funds = Title I, Hayward Promise Neighborhood, Youth Enrichment Program (YEP), etc.



# What Have We Been Doing?

## 2018/19 \$4M in savings

- Reductions to district office, services, and supplies

## 2019/20 \$6.4M in savings

- \$5.2M in one-time funds and \$1.2M through reclassifying facilities funding

## 2020/21 \$9.1M in savings

- Reductions to district office, site support, services, and supplies
- Used CARES Act funds to offset costs



# Timeline

<u>Month</u>	<u>Activity</u>
<b>December 8, 2021</b>	<ul style="list-style-type: none"><li>● <b>1st Interim Financial Report</b></li></ul>
<b>January 2022</b>	<ul style="list-style-type: none"><li>● <b>Governor's Proposed Budget</b></li></ul>
<b>February 9, 2022</b>	<ul style="list-style-type: none"><li>● <b>Board Budget Workshop</b></li></ul>
<b>March 9, 2022</b>	<ul style="list-style-type: none"><li>● <b>2nd Interim Financial Report</b></li></ul>
<b>May 2022</b>	<ul style="list-style-type: none"><li>● <b>Governor's May Revise</b></li></ul>
<b>June 2022</b>	<ul style="list-style-type: none"><li>● <b>HUSD Adopted Budget</b></li><li>● <b>State Adopted Budget</b></li></ul>

Actions in the November 17, 2021 Special Board Meeting, the 1st Interim Financial Report, and the Governor's Proposed Budget will all help inform the Board's Budget Workshop in February.

# Alameda County Office of Education

- Approves districts' Local Control Accountability Plans and budgets
- Led by the County Superintendent L.K. Monroe
- Associate Superintendent of Business, Dr. Candi Clark, oversees the budget approvals for districts





# Appendix



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# HUSD Unrestricted General Fund

Unrestricted General Fund	2019-20	2020-21	2021-22 (as of 9/30)	2022-23 (Projected)
Revenue	\$216.2M	\$208.9M	\$221.5M	\$202.9M
Expenditures	\$220.4M	\$203.3M	\$223.1M	\$226.7M
Difference	<b>-\$4.2M</b>	<b>\$5.6M</b>	<b>-\$1.6M</b>	<b>-\$23.8M</b>

- Unrestricted general fund revenue and expenditures dropped in 2020-21 due to COVID-19
- The state's "hold harmless" for drops in enrollment ends after 2021-22

# What Steps Have We Already Taken?

1. Advocated for the State to provide more funding
2. Adjusted non-staff expenditures
  - a. Buyout of leased vehicles to reduce ongoing costs
  - b. Adjusted waste management structure
  - c. Bid for procurement of natural gas
  - d. Implemented solar
  - e. Repurposed restricted redevelopment funding to focus on the health and safety maintenance needs of our sites.
  - f. Implemented a marketing campaign to help with enrollment declines
  - g. Ensured applicable agencies pay their fair-share
  - h. Reduced funding for textbook adoptions
  - i. Reduced school site funding
3. Adjusted staff expenditures
  - a. Review vacancies to assess need
  - b. Identify other funding sources available to pay for applicable staff
  - c. Eliminated Academic Directors to support sites
  - d. More efficient teacher staffing allocations (Not during pandemic)
  - e. Reduced assistant principals, parent engagement, and child welfare and attendance support
  - f. Eliminated After Hours Security Department
  - g. Reduced District Office/Program Clerical Support