

**Los Angeles County Office of Education
Business Advisory Services**

**PUBLIC DISCLOSURE OF PROPOSED COLLECTIVE BARGAINING AGREEMENT
in accordance with AB 1200 (Chapter 1213/Statutes 1991), AB 2756 (Chapter 52/Statutes 2004), GC 3547.5**

Name of School District:	Hawthorne School District
Name of Bargaining Unit:	HETA and HFCE Local 6041
Certificated, Classified, Other:	HETA - Certificated; HFCE Local 6041 - Classified

The proposed agreement covers the period beginning: July 1, 2021 and ending: June 30, 2022
(date) (date)

The Governing Board will act upon this agreement on: May 11, 2022
(date)

Note: This form, along with a copy of the proposed agreement, must be submitted to the County Office at least ten (10) working days prior to the date the Governing Board will take action.

A. Proposed Change in Compensation

Bargaining Unit Compensation All Funds - Combined		Annual Cost Prior to Proposed Settlement	Fiscal Impact of Proposed Agreement (Complete Years 2 and 3 for multiyear and overlapping agreements only)		
			Year 1 Increase/(Decrease)	Year 2 Increase/(Decrease)	Year 3 Increase/(Decrease)
			2021-22	2022-23	2023-24
1. Salary Schedule Including Step and Column	\$ 49,540,000	\$ 2,599,740	\$ -	\$ -	
		5.25%	0.00%	0.00%	
2. Other Compensation Stipends, Bonuses, Longevity, Overtime, Differential, Callback or Standby Pay, etc.	\$ -	\$ 3,483,780	\$ 945,385		
Description of Other Compensation		See individual agreement pages	See individual agreement pages	See individual agreement pages	
3. Statutory Benefits - STRS, PERS, FICA, WC, UI, Medicare, etc.	\$ 20,018,400	\$ 1,713,264	\$ 267,360		
		8.56%	1.23%	0.00%	
4. Health/Welfare Plans					
5. Total Bargaining Unit Compensation Add Items 1 through 4 to equal 5	\$ 69,558,400	\$ 7,796,784	\$ 1,212,745	\$ -	
		11.21%	1.57%	0.00%	
6. Total Number of Bargaining Unit Employees (Use FTEs if appropriate)		678.60			
7. Total Compensation <u>Average</u> Cost per Bargaining Unit Employee	\$ 102,503	\$ 11,490	\$ 1,787	\$ -	
		11.21%	1.57%	0.00%	

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in accordance with AB 1200 (Chapter 1213/Statutes 1991), AB 2756 (Chapter 52/Statutes 2004), GC 3547.5**

Name of School District:	Hawthorne School District
Name of Bargaining Unit:	Hawthorne Educators and Teachers Association
Certificated, Classified, Other:	Certificated

The proposed agreement covers the period beginning: July 1, 2021 and ending: June 30, 2022
(date) (date)

The Governing Board will act upon this agreement on: May 11, 2022
(date)

Note: This form, along with a copy of the proposed agreement, must be submitted to the County Office at least ten (10) working days prior to the date the Governing Board will take action.

A. Proposed Change in Compensation

Bargaining Unit Compensation All Funds - Combined		Fiscal Impact of Proposed Agreement (Complete Years 2 and 3 for multiyear and overlapping agreements only)		
		Year 1 Increase/(Decrease)	Year 2 Increase/(Decrease)	Year 3 Increase/(Decrease)
		2021-22	2022-23	2023-24
1. Salary Schedule Including Step and Column	\$ 37,457,700	\$ 1,966,415	\$ -	\$ -
		5.25%	0.00%	0.00%
2. Other Compensation Stipends, Bonuses, Longevity, Overtime, Differential, Callback or Standby Pay, etc.	\$ -	\$ 1,651,788	\$ 634,599	
Description of Other Compensation		1X retention off sch. bonus.	Psych Sch + 1 Step 2.5%, & 2 per diem.	
3. Statutory Benefits - STRS, PERS, FICA, WC, UI, Medicare, etc.	\$ 16,030,000	\$ 977,610	\$ 171,461	\$ -
		6.10%	1.01%	0.00%
4. Health/Welfare Plans				
5. Total Bargaining Unit Compensation Add Items 1 through 4 to equal 5	\$ 53,487,700	\$ 4,595,813	\$ 806,059	\$ -
		8.59%	1.39%	0.00%
6. Total Number of Bargaining Unit Employees (Use FTEs if appropriate)	420.86			
7. Total Compensation Average Cost per Bargaining Unit Employee	\$ 127,091	\$ 10,920	\$ 1,915	\$ -
		8.59%	1.39%	0.00%

Hawthorne School District
HETA and HFCE Local 6041

8. What was the negotiated percentage change? For example, if the change in "Year 1" was for less than a full year, what is the annualized percentage of that change for "Year 1"?

For 2021-22, and increase of 5% on schedule and 4% one time off schedule retention bonus on the base salary effective on June 2022.

9. Were any additional steps, columns, or ranges added to the salary schedules? (If yes, please explain.)

Effective in 2022-23 the Master Salary Schedule for Psychologist was added one step, which reflects an increase of 2.5% from step 6 to the new step 7.

10. Please include comments and explanations as necessary. (If more room is necessary, please attach an additional sheet.)

On schedule increase of 5% is retroactive to 7/1/2021.

11. Does this bargaining unit have a negotiated cap for Health and Welfare benefits?

Yes ☐ No ☒

If yes, please describe the cap amount.

N/A

B. Proposed negotiated changes in noncompensation items (i.e., class size adjustments, staff development days, teacher prep time, classified staffing ratios, etc.)

For 2022-23 two staff development days were negotiated. Those days will be compensated at the per diem rate of each employee attending.

C. What are the specific impacts (positive or negative) on instructional and support programs to accommodate the settlement? Include the impact of changes such as staff reductions or increases, program reductions or increases, elimination or expansion of other services or programs (i.e., counselors, librarians, custodial staff, etc.)

None

Hawthorne School District
HETA and HFCE Local 6041

D. What contingency language is included in the proposed agreement (e.g., reopeners, etc.)?

None.

E. Identify other major provisions that do not directly affect the district's costs, such as binding arbitrations, grievance procedures, etc.

None.

F. Source of Funding for Proposed Agreement:

1. Current Year

For the 5% on schedule increase, the funding utilized is tied to the current funding for each category of employees. Example: Title I will fund the increase for current Title I employees; LCFF will fund the increase for current LCFF employees. For the 4% off schedule retention bonus, unrestricted sources will be utilized from fund balance.

2. If this is a single year agreement, how will the ongoing cost of the proposed agreement be funded in subsequent years?

The District has made a conscientious effort to right-size staffing as we continue to experience declining enrollment. The District will continue to utilize our projected revenues to fund the ongoing cost of this agreement.

3. If this is a multiyear agreement, what is the source of funding, including assumptions used, to fund these obligations in subsequent years? (Remember to include compounding effects in meeting obligations.)

This is a single year agreement, there are no other planned increases at this time.

**Los Angeles County Office of Education
Business Advisory Services**

PUBLIC DISCLOSURE OF PROPOSED COLLECTIVE BARGAINING AGREEMENT
in accordance with AB 1200 (Chapter 1213/Statutes 1991), AB 2756 (Chapter 52/Statutes 2004), GC 3547.5

Name of School District:	Hawthorne School District
Name of Bargaining Unit:	Hawthorne Federation of Classified Employees Local 6041
Certificated, Classified, Other:	Classified

The proposed agreement covers the period beginning: July 1, 2021 and ending: June 30, 2022
(date) (date)

The Governing Board will act upon this agreement on: May 11, 2022
(date)

Note: This form, along with a copy of the proposed agreement, must be submitted to the County Office at least ten (10) working days prior to the date the Governing Board will take action.

A. Proposed Change in Compensation

Bargaining Unit Compensation All Funds - Combined		Fiscal Impact of Proposed Agreement (Complete Years 2 and 3 for multiyear and overlapping agreements only)		
		Year 1 Increase/(Decrease)	Year 2 Increase/(Decrease)	Year 3 Increase/(Decrease)
		2021-22	2022-23	2023-24
1. Salary Schedule Including Step and Column	\$ 12,082,300	\$ 633,325		
		5.24%	0.00%	0.00%
2. Other Compensation Stipends, Bonuses, Longevity, Overtime, Differential, Callback or Standby Pay, etc.	\$ -	\$ 1,831,992	\$ 310,786	
Description of Other Compensation		4% off sch retention bonus. Vac pay out.	Incr to long stipends. 2 prof dev days ovt.	
3. Statutory Benefits - STRS, PERS, FICA, WC, UI, Medicare, etc.	\$ 3,988,400	\$ 735,654	\$ 95,900	
		18.44%	2.03%	0.00%
4. Health/Welfare Plans				
5. Total Bargaining Unit Compensation Add Items 1 through 4 to equal 5	\$ 16,070,700	\$ 3,200,971	\$ 406,686	\$ -
		19.92%	2.11%	0.00%
6. Total Number of Bargaining Unit Employees (Use FTEs if appropriate)	257.74			
7. Total Compensation <u>Average</u> Cost per Bargaining Unit Employee	\$ 62,352	\$ 12,419	\$ 1,578	\$ -
		19.92%	2.11%	0.00%

Hawthorne School District
Hawthorne Federation of Classified Employees Local 6041

8. What was the negotiated percentage change? For example, if the change in "Year 1" was for less than a full year, what is the annualized percentage of that change for "Year 1"?

For 2021-22, and increase of 5% on schedule and 4% one time off schedule retention bonus on the base salary effective on June 2022. Vacation pay off for excess vacation days.

9. Were any additional steps, columns, or ranges added to the salary schedules? (If yes, please explain.)

No.

10. Please include comments and explanations as necessary. (If more room is necessary, please attach an additional sheet.)

On schedule increase of 5% is retroactive to 7/1/2021.

11. Does this bargaining unit have a negotiated cap for Health and Welfare benefits?

Yes ☐ No ☒

If yes, please describe the cap amount.

N/A

B. Proposed negotiated changes in noncompensation items (i.e., class size adjustments, staff development days, teacher prep time, classified staffing ratios, etc.)

For 2022-23 two staff development days were negotiated. Those days will be compensated at the 1.5 times the rate of pay of each employee attending.

C. What are the specific impacts (positive or negative) on instructional and support programs to accommodate the settlement? Include the impact of changes such as staff reductions or increases, program reductions or increases, elimination or expansion of other services or programs (i.e., counselors, librarians, custodial staff, etc.)

None.

Hawthorne School District
Hawthorne Federation of Classified Employees Local 6041

D. What contingency language is included in the proposed agreement (e.g., reopeners, etc.)?

None.

E. Identify other major provisions that do not directly affect the district's costs, such as binding arbitrations, grievance procedures, etc.

None.

F. Source of Funding for Proposed Agreement:

1. Current Year

For the 5% on schedule increase, the funding utilized is tied to the current funding for each category of employees. Example: Title I will fund the increase for current Title I employees; LCFF will fund the increase for current LCFF employees. For the 4% off schedule retention bonus, unrestricted sources will be utilized from fund balance.

2. If this is a single year agreement, how will the ongoing cost of the proposed agreement be funded in subsequent years?

The District has made a conscientious effort to right-size staffing as we continue to experience declining enrollment. The District will continue to utilize our projected revenues to fund the ongoing cost of this agreement.

3. If this is a multiyear agreement, what is the source of funding, including assumptions used, to fund these obligations in subsequent years? (Remember to include compounding effects in meeting obligations.)

This is a single year agreement, there are no other planned increases at this time.

Hawthorne School District

G. IMPACT OF PROPOSED AGREEMENT ON CURRENT YEAR OPERATING BUDGET**Unrestricted General Fund**

Bargaining Unit:

HETA and HFCE Local 6041

		Column 1	Column 2	Column 3	Column 4
		Latest Board- Approved Budget Before Settlement (As of 4/13/22)	Adjustments as a Result of Settlement (compensation)	Other Revisions (agreement support and/or other unit agreement) Explain on Page 4i	Total Revised Budget (Columns 1+2+3)
Object Code					
REVENUES					
LCFF Revenue	8010-8099	\$ 85,464,437		\$ -	\$ 85,464,437
Federal Revenue	8100-8299	\$ -		\$ -	\$ -
Other State Revenue	8300-8599	\$ 1,196,532		\$ -	\$ 1,196,532
Other Local Revenue	8600-8799	\$ 1,739,541		\$ -	\$ 1,739,541
TOTAL REVENUES		\$ 88,400,510		\$ -	\$ 88,400,510
EXPENDITURES					
Certificated Salaries	1000-1999	\$ 31,794,364	\$ 2,522,954	\$ 312,195	\$ 34,629,513
Classified Salaries	2000-2999	\$ 8,847,759	\$ 1,911,598	\$ 111,360	\$ 10,870,717
Employee Benefits	3000-3999	\$ 19,411,259	\$ 1,217,281	\$ 132,460	\$ 20,761,000
Books and Supplies	4000-4999	\$ 6,694,120		\$ -	\$ 6,694,120
Services and Other Operating Expenditures	5000-5999	\$ 6,969,334		\$ -	\$ 6,969,334
Capital Outlay	6000-6999	\$ 36,812		\$ -	\$ 36,812
Other Outgo (excluding Indirect Costs)	7100-7299 7400-7499	\$ 590,612		\$ -	\$ 590,612
Transfers of Indirect Costs	7300-7399	\$ (897,310)		\$ -	\$ (897,310)
TOTAL EXPENDITURES		\$ 73,446,950	\$ 5,651,833	\$ 556,015	\$ 79,654,798
OTHER FINANCING SOURCES/USES					
Transfers In and Other Sources	8900-8979	\$ 565,681	\$ -	\$ -	\$ 565,681
Transfers Out and Other Uses	7600-7699	\$ -	\$ -	\$ -	\$ -
Contributions	8980-8999	\$ (14,043,324)	\$ (1,527,667)	\$ (333,363)	\$ (15,904,354)
OPERATING SURPLUS (DEFICIT)*		\$ 1,475,918	\$ (7,179,500)	\$ (889,378)	\$ (6,592,960)
BEGINNING FUND BALANCE	9791	\$ 36,821,274			\$ 36,821,274
Audit Adjustments/Other Restatements	9793/9795	\$ -			\$ -
ENDING FUND BALANCE		\$ 38,297,192	\$ (7,179,500)	\$ (889,378)	\$ 30,228,314
COMPONENTS OF ENDING FUND BALANCE:					
Nonspendable	9711-9719	\$ 250,773	\$ -	\$ -	\$ 250,773
Restricted	9740				
Committed	9750-9760	\$ -	\$ -	\$ -	\$ -
Assigned	9780	\$ -	\$ -	\$ -	\$ -
Reserve for Economic Uncertainties	9789	\$ 4,354,872	\$ 215,385	\$ 26,681	\$ 4,596,938
Unassigned/Unappropriated Amount	9790	\$ 33,691,548	\$ (7,394,885)	\$ (916,059)	\$ 25,380,603

*Net Increase (Decrease) in Fund Balance

NOTE: 9790 amounts in Columns 1 and 4 must be positive

Los Angeles County Office of Education

Business Advisory Services

Revised 06/11/2021

Hawthorne School District

G. IMPACT OF PROPOSED AGREEMENT ON CURRENT YEAR OPERATING BUDGET**Restricted General Fund**

Bargaining Unit:

HETA and HFCE Local 6041

Object Code	Column 1	Column 2	Column 3	Column 4
	Latest Board- Approved Budget Before Settlement (As of 4/13/22)	Adjustments as a Result of Settlement (compensation)	Other Revisions (agreement support and/or other unit agreement) Explain on Page 4i	Total Revised Budget (Columns 1+2+3)
REVENUES				
LCFF Revenue 8010-8099	\$ -		\$ -	\$ -
Federal Revenue 8100-8299	\$ 42,387,641		\$ -	\$ 42,387,641
Other State Revenue 8300-8599	\$ 26,843,413		\$ -	\$ 26,843,413
Other Local Revenue 8600-8799	\$ 287,710		\$ -	\$ 287,710
TOTAL REVENUES	\$ 69,518,764		\$ -	\$ 69,518,764
EXPENDITURES				
Certificated Salaries 1000-1999	\$ 14,076,898	\$ 833,152	\$ 243,369	\$ 15,153,419
Classified Salaries 2000-2999	\$ 6,004,812	\$ 352,921	\$ 17,130	\$ 6,374,863
Employee Benefits 3000-3999	\$ 13,737,112	\$ 341,594	\$ 72,864	\$ 14,151,570
Books and Supplies 4000-4999	\$ 8,168,144		\$ -	\$ 8,168,144
Services and Other Operating Expenditures 5000-5999	\$ 20,700,923		\$ -	\$ 20,700,923
Capital Outlay 6000-6999	\$ 6,482,520		\$ -	\$ 6,482,520
Other Outgo (excluding Indirect Costs) 7100-7299 7400-7499	\$ 2,050,100		\$ -	\$ 2,050,100
Transfers of Indirect Costs 7300-7399	\$ 494,946		\$ -	\$ 494,946
TOTAL EXPENDITURES	\$ 71,715,454	\$ 1,527,667	\$ 333,363	\$ 73,576,484
OTHER FINANCING SOURCES/USES				
Transfers In and Other Sources 8900-8979	\$ -	\$ -	\$ -	\$ -
Transfers Out and Other Uses 7600-7699	\$ 319,938	\$ -	\$ -	\$ 319,938
Contributions 8980-8999	\$ 14,043,324	\$ 1,527,667	\$ 333,363	\$ 15,904,354
OPERATING SURPLUS (DEFICIT)*	\$ 11,526,696	\$ -	\$ -	\$ 11,526,696
BEGINNING FUND BALANCE				
9791	\$ 5,303,153			\$ 5,303,153
Audit Adjustments/Other Restatements 9793/9795	\$ -			\$ -
ENDING FUND BALANCE	\$ 16,829,849	\$ -	\$ -	\$ 16,829,849
COMPONENTS OF ENDING FUND BALANCE:				
Nonspendable 9711-9719	\$ -	\$ -	\$ -	\$ -
Restricted 9740	\$ 16,829,849	\$ -	\$ -	\$ 16,829,849
Committed 9750-9760				
Assigned Amounts 9780				
Reserve for Economic Uncertainties 9789	\$ -	\$ -	\$ -	\$ -
Unassigned/Unappropriated Amount 9790	\$ -	\$ -	\$ -	\$ -

*Net Increase (Decrease) in Fund Balance

NOTE: 9790 amounts in Columns 1 and 4 must be positive

Hawthorne School District

G. IMPACT OF PROPOSED AGREEMENT ON CURRENT YEAR OPERATING BUDGET

Combined General Fund
Bargaining Unit: HETA and HFCE Local 6041

Object Code	Column 1	Column 2	Column 3	Column 4
	Latest Board- Approved Budget Before Settlement (As of 4/13/22)	Adjustments as a Result of Settlement (compensation)	Other Revisions (agreement support and/or other unit agreement) Explain on Page 4i	Total Revised Budget (Columns 1+2+3)
REVENUES				
LCFF Revenue 8010-8099	\$ 85,464,437		\$ -	\$ 85,464,437
Federal Revenue 8100-8299	\$ 42,387,641		\$ -	\$ 42,387,641
Other State Revenue 8300-8599	\$ 28,039,945		\$ -	\$ 28,039,945
Other Local Revenue 8600-8799	\$ 2,027,251		\$ -	\$ 2,027,251
TOTAL REVENUES	\$ 157,919,275		\$ -	\$ 157,919,275
EXPENDITURES				
Certificated Salaries 1000-1999	\$ 45,871,262	\$ 3,356,106	\$ 555,564	\$ 49,782,932
Classified Salaries 2000-2999	\$ 14,852,571	\$ 2,264,519	\$ 128,490	\$ 17,245,580
Employee Benefits 3000-3999	\$ 33,148,371	\$ 1,558,875	\$ 205,324	\$ 34,912,570
Books and Supplies 4000-4999	\$ 14,862,263		\$ -	\$ 14,862,263
Services and Other Operating Expenditures 5000-5999	\$ 27,670,257		\$ -	\$ 27,670,257
Capital Outlay 6000-6999	\$ 6,519,332		\$ -	\$ 6,519,332
Other Outgo (excluding Indirect Costs) 7100-7299 7400-7499	\$ 2,640,712		\$ -	\$ 2,640,712
Transfers of Indirect Costs 7300-7399	\$ (402,364)		\$ -	\$ (402,364)
TOTAL EXPENDITURES	\$ 145,162,404	\$ 7,179,500	\$ 889,378	\$ 153,231,282
OTHER FINANCING SOURCES/USES				
Transfer In and Other Sources 8900-8979	\$ 565,681	\$ -	\$ -	\$ 565,681
Transfers Out and Other Uses 7600-7699	\$ 319,938	\$ -	\$ -	\$ 319,938
Contributions 8980-8999	\$ -	\$ -	\$ -	\$ -
OPERATING SURPLUS (DEFICIT)*	\$ 13,002,614	\$ (7,179,500)	\$ (889,378)	\$ 4,933,736
BEGINNING FUND BALANCE				
9791	\$ 42,124,428			\$ 42,124,428
Audit Adjustments/Other Restatements 9793/9795	\$ -			\$ -
ENDING FUND BALANCE	\$ 55,127,041	\$ (7,179,500)	\$ (889,378)	\$ 47,058,163
COMPONENTS OF ENDING FUND				
Nonspendable 9711-9719	\$ 250,773	\$ -	\$ -	\$ 250,773
Restricted 9740	\$ 16,829,849	\$ -	\$ -	\$ 16,829,849
Committed 9750-9760	\$ -	\$ -	\$ -	\$ -
Assigned 9780	\$ -	\$ -	\$ -	\$ -
Reserve for Economic Uncertainties 9789	\$ 4,354,872	\$ 215,385	\$ 26,681	\$ 4,596,938
Unassigned/Unappropriated Amount 9790	\$ 33,691,548	\$ (7,394,885)	\$ (916,059)	\$ 25,380,603

*Net Increase (Decrease) in Fund Balance

NOTE: 9790 amounts in Columns 1 and 4 must be positive

Hawthorne School District

G. IMPACT OF PROPOSED AGREEMENT ON CURRENT YEAR OPERATING BUDGET**Fund 11 - Adult Education Fund**

Bargaining Unit:

HETA and HFCE Local 6041

Object Code	Column 1	Column 2	Column 3	Column 4
	Latest Board- Approved Budget Before Settlement (As of N/A)	Adjustments as a Result of Settlement (compensation)	Other Revisions (agreement support and/or other unit agreement) Explain on Page 4i	Total Revised Budget (Columns 1+2+3)
REVENUES				
Federal Revenue 8100-8299	\$ -		\$ -	\$ -
Other State Revenue 8300-8599	\$ -		\$ -	\$ -
Other Local Revenue 8600-8799	\$ -		\$ -	\$ -
TOTAL REVENUES	\$ -		\$ -	\$ -
EXPENDITURES				
Certificated Salaries 1000-1999	\$ -	\$ -	\$ -	\$ -
Classified Salaries 2000-2999	\$ -	\$ -	\$ -	\$ -
Employee Benefits 3000-3999	\$ -	\$ -	\$ -	\$ -
Books and Supplies 4000-4999	\$ -		\$ -	\$ -
Services and Other Operating Expenditures 5000-5999	\$ -		\$ -	\$ -
Capital Outlay 6000-6999	\$ -		\$ -	\$ -
Other Outgo (excluding Indirect Costs) 7100-7299 7400-7499	\$ -		\$ -	\$ -
Transfers of Indirect Costs 7300-7399	\$ -		\$ -	\$ -
TOTAL EXPENDITURES	\$ -	\$ -	\$ -	\$ -
OTHER FINANCING SOURCES/USES				
Transfers In and Other Sources 8900-8979	\$ -	\$ -	\$ -	\$ -
Transfers Out and Other Uses 7600-7699	\$ -	\$ -	\$ -	\$ -
OPERATING SURPLUS (DEFICIT)*	\$ -	\$ -	\$ -	\$ -
BEGINNING FUND BALANCE 9791	\$ -			\$ -
Audit Adjustments/Other Restatements 9793/9795	\$ -			\$ -
ENDING FUND BALANCE	\$ -	\$ -	\$ -	\$ -
COMPONENTS OF ENDING FUND BALANCE:				
Nonspendable 9711-9719	\$ -	\$ -	\$ -	\$ -
Restricted 9740	\$ -	\$ -	\$ -	\$ -
Committed 9750-9760	\$ -	\$ -	\$ -	\$ -
Assigned 9780	\$ -	\$ -	\$ -	\$ -
Reserve for Economic Uncertainties 9789	\$ -	\$ -	\$ -	\$ -
Unassigned/Unappropriated Amount 9790	\$ -	\$ -	\$ -	\$ -

*Net Increase (Decrease) in Fund Balance

NOTE: 9790 amounts in Columns 1 and 4 must be positive

Los Angeles County Office of Education

Business Advisory Services

Revised 06/11/2021

Hawthorne School District

G. IMPACT OF PROPOSED AGREEMENT ON CURRENT YEAR OPERATING BUDGETEnter Fund: **Charter Fund (09.0)**Bargaining Unit: **HETA and HFCE Local 6041**

Object Code	Column 1	Column 2	Column 3	Column 4
	Latest Board- Approved Budget Before Settlement (As of 4/13/22)	Adjustments as a Result of Settlement (compensation)	Other Revisions (agreement support and/or other unit agreement) Explain on Page 4i	Total Revised Budget (Columns 1+2+3)
REVENUES				
Federal Revenue 8100-8299	\$ 215,398		\$ -	\$ 215,398
LCFF and Other State Revenue 8010-8099, 8300-8599	\$ 8,399,176		\$ -	\$ 8,399,176
Other Local Revenues 8600-8799	\$ 1,000		\$ -	\$ 1,000
TOTAL REVENUES	\$ 8,615,574		\$ -	\$ 8,615,574
EXPENDITURES				
Certificated Salaries 1000-1999	\$ 3,318,600	\$ 262,097	\$ 24,781	\$ 3,605,478
Classified Salaries 2000-2999	\$ 581,755	\$ 42,733	\$ -	\$ 624,488
Employee Benefits 3000-3999	\$ 2,041,179	\$ 84,070	\$ 6,696	\$ 2,131,945
Books and Supplies 4000-4999	\$ 869,444		\$ -	\$ 869,444
Services and Other Operating Expenditures 5000-5999	\$ 886,357		\$ -	\$ 886,357
Capital Outlay 6000-6999	\$ 88,372		\$ -	\$ 88,372
Other Outgo (excluding Indirect Costs) 7100-7299 7400-7499	\$ -		\$ -	\$ -
Transfers of Indirect Costs 7300-7399	\$ 184,892		\$ -	\$ 184,892
TOTAL EXPENDITURES	\$ 7,970,599	\$ 388,900	\$ 31,477	\$ 8,390,976
OTHER FINANCING SOURCES/USES				
Transfers In and Other Sources 8900-8979	\$ -	\$ -	\$ -	\$ -
Transfers Out and Other Uses 7600-7699	\$ 565,681	\$ -	\$ -	\$ 565,681
OPERATING SURPLUS (DEFICIT)*	\$ 79,294	\$ (388,900)	\$ (31,477)	\$ (341,083)
BEGINNING FUND BALANCE 9791	\$ 4,135,028			\$ 4,135,028
Audit Adjustments/Other Restatements 9793/9795	\$ -			\$ -
ENDING FUND BALANCE	\$ 4,214,322	\$ (388,900)	\$ (31,477)	\$ 3,793,945
COMPONENTS OF ENDING FUND BALANCE:				
Nonspendable 9711-9719	\$ -	\$ -	\$ -	\$ -
Restricted 9740	\$ 102,067	\$ -	\$ -	\$ 102,067
Committed 9750-9760	\$ -	\$ -	\$ -	\$ -
Assigned 9780	\$ -	\$ -	\$ -	\$ -
Reserve for Economic Uncertainties 9789	\$ -	\$ -	\$ -	\$ -
Unassigned/Unappropriated Amount 9790	\$ 4,112,255	\$ (388,900)	\$ (31,477)	\$ 3,691,878

*Net Increase (Decrease) in Fund Balance

NOTE: 9790 amounts in Columns 1 and 4 must be positive

Los Angeles County Office of Education

Business Advisory Services

Revised 06/11/2021

Hawthorne School District

G. IMPACT OF PROPOSED AGREEMENT ON CURRENT YEAR OPERATING BUDGET**Fund 12 - Child Development Fund**

Bargaining Unit:

HETA and HFCE Local 6041

Object Code	Column 1	Column 2	Column 3	Column 4
	Latest Board- Approved Budget Before Settlement (As of 4/13/22)	Adjustments as a Result of Settlement (compensation)	Other Revisions (agreement support and/or other unit agreement) Explain on Page 4i	Total Revised Budget (Columns 1+2+3)
REVENUES				
Federal Revenue 8100-8299	\$ 79,800		\$ -	\$ 79,800
Other State Revenue 8300-8599	\$ 1,353,826		\$ -	\$ 1,353,826
Other Local Revenue 8600-8799	\$ 563		\$ -	\$ 563
TOTAL REVENUES	\$ 1,434,189		\$ -	\$ 1,434,189
EXPENDITURES				
Certificated Salaries 1000-1999	\$ -	\$ -	\$ -	\$ -
Classified Salaries 2000-2999	\$ 449,484	\$ 37,105	\$ -	\$ 486,589
Employee Benefits 3000-3999	\$ 343,705	\$ 11,511	\$ -	\$ 355,216
Books and Supplies 4000-4999	\$ 36,291		\$ -	\$ 36,291
Services and Other Operating Expenditures 5000-5999	\$ 639,977		\$ (48,616)	\$ 591,361
Capital Outlay 6000-6999	\$ -		\$ -	\$ -
Other Outgo (excluding Indirect Costs) 7100-7299 7400-7499	\$ -		\$ -	\$ -
Transfers of Indirect Costs 7300-7399	\$ -		\$ -	\$ -
TOTAL EXPENDITURES	\$ 1,469,457	\$ 48,616	\$ (48,616)	\$ 1,469,457
OTHER FINANCING SOURCES/USES				
Transfers In and Other Sources 8900-8979	\$ -	\$ -	\$ -	\$ -
Transfers Out and Other Uses 7600-7699	\$ -	\$ -	\$ -	\$ -
OPERATING SURPLUS (DEFICIT)*	\$ (35,268)	\$ (48,616)	\$ 48,616	\$ (35,268)
BEGINNING FUND BALANCE 9791	\$ 51,999			\$ 51,999
Audit Adjustments/Other Restatements 9793/9795	\$ -			\$ -
ENDING FUND BALANCE	\$ 16,731	\$ (48,616)	\$ 48,616	\$ 16,731
COMPONENTS OF ENDING FUND BALANCE:				
Nonspendable 9711-9719	\$ -	\$ -	\$ -	\$ -
Restricted 9740	\$ 16,731	\$ -	\$ -	\$ 16,731
Committed 9750-9760	\$ -	\$ -	\$ -	\$ -
Assigned 9780	\$ -	\$ -	\$ -	\$ -
Reserve for Economic Uncertainties 9789	\$ -	\$ -	\$ -	\$ -
Unassigned/Unappropriated Amount 9790	\$ -	\$ (48,616)	\$ 48,616	\$ -

*Net Increase (Decrease) in Fund Balance

NOTE: 9790 amounts in Columns 1 and 4 must be positive

Los Angeles County Office of Education

Business Advisory Services

Revised 06/11/2021

Hawthorne School District

G. IMPACT OF PROPOSED AGREEMENT ON CURRENT YEAR OPERATING BUDGET**Fund 13/61 - Cafeteria Fund**

Bargaining Unit:

HETA and HFCE Local 6041

Object Code	Column 1	Column 2	Column 3	Column 4
	Latest Board- Approved Budget Before Settlement (As of 4/13/22)	Adjustments as a Result of Settlement (compensation)	Other Revisions (agreement support and/or other unit agreement) Explain on Page 4i	Total Revised Budget (Columns 1+2+3)
REVENUES				
LCFF Revenue 8010-8099	\$ -		\$ -	\$ -
Federal Revenue 8100-8299	\$ 6,141,001		\$ -	\$ 6,141,001
Other State Revenue 8300-8599	\$ 508,826		\$ -	\$ 508,826
Other Local Revenue 8600-8799	\$ 15,226		\$ -	\$ 15,226
TOTAL REVENUES	\$ 6,665,053		\$ -	\$ 6,665,053
EXPENDITURES				
Certificated Salaries 1000-1999	\$ -	\$ -	\$ 70,948	\$ 70,948
Classified Salaries 2000-2999	\$ 2,331,974	\$ 131,304	\$ -	\$ 2,463,278
Employee Benefits 3000-3999	\$ 980,601	\$ 40,718	\$ 21,990	\$ 1,043,309
Books and Supplies 4000-4999	\$ 3,256,605		\$ -	\$ 3,256,605
Services and Other Operating Expenditures 5000-5999	\$ 261,200		\$ -	\$ 261,200
Capital Outlay 6000-6999	\$ 390,000		\$ -	\$ 390,000
Other Outgo (excluding Indirect Costs) 7100-7299 7400-7499	\$ -		\$ -	\$ -
Transfers of Indirect Costs 7300-7399	\$ 217,472		\$ -	\$ 217,472
TOTAL EXPENDITURES	\$ 7,437,852	\$ 172,022	\$ 92,938	\$ 7,702,812
OTHER FINANCING SOURCES/USES				
Transfers In and Other Sources 8900-8979	\$ -	\$ -	\$ -	\$ -
Transfers Out and Other Uses 7600-7699	\$ -	\$ -	\$ -	\$ -
OPERATING SURPLUS (DEFICIT)*	\$ (772,799)	\$ (172,022)	\$ (92,938)	\$ (1,037,759)
BEGINNING FUND BALANCE 9791	\$ 4,277,924			\$ 4,277,924
Audit Adjustments/Other Restatements 9793/9795	\$ -			\$ -
ENDING FUND BALANCE	\$ 3,505,125	\$ (172,022)	\$ (92,938)	\$ 3,240,165
COMPONENTS OF ENDING FUND BALANCE:				
Nonspendable 9711-9719	\$ -	\$ -	\$ -	\$ -
Restricted 9740	\$ -	\$ -	\$ -	\$ -
Committed 9750-9760	\$ -	\$ -	\$ -	\$ -
Assigned 9780	\$ -	\$ -	\$ -	\$ -
Reserve for Economic Uncertainties 9789	\$ -	\$ -	\$ -	\$ -
Unassigned/Unappropriated Amount 9790	\$ 3,505,125	\$ (172,022)	\$ (92,938)	\$ 3,240,165

*Net Increase (Decrease) in Fund Balance

NOTE: 9790 amounts in Columns 1 and 4 must be positive

Los Angeles County Office of Education

Business Advisory Services

Revised 06/11/2021

Hawthorne School District

G. IMPACT OF PROPOSED AGREEMENT ON CURRENT YEAR OPERATING BUDGET

Enter Fund: **Building Fund (21.0)**
 Bargaining Unit: **HETA and HFCE Local 6041**

Object Code	Column 1	Column 2	Column 3	Column 4
	Latest Board- Approved Budget Before Settlement (As of 4/13/22)	Adjustments as a Result of Settlement (compensation)	Other Revisions (agreement support and/or other unit agreement) Explain on Page 4i	Total Revised Budget (Columns 1+2+3)
REVENUES				
Federal Revenue 8100-8299	\$ -		\$ -	\$ -
Other State Revenue 8300-8599	\$ -		\$ -	\$ -
Other Local Revenue 8600-8799	\$ 33,068		\$ -	\$ 33,068
TOTAL REVENUES	\$ 33,068		\$ -	\$ 33,068
EXPENDITURES				
Certificated Salaries 1000-1999	\$ -	\$ -	\$ -	\$ -
Classified Salaries 2000-2999	\$ 64,310	\$ 5,915	\$ -	\$ 70,225
Employee Benefits 3000-3999	\$ 43,231	\$ 1,831	\$ -	\$ 45,062
Books and Supplies 4000-4999	\$ 20,000		\$ -	\$ 20,000
Services and Other Operating Expenditures 5000-5999	\$ 142,000		\$ -	\$ 142,000
Capital Outlay 6000-6999	\$ 13,651,923		\$ -	\$ 13,651,923
Other Outgo (excluding Indirect Costs) 7100-7299 7400-7499	\$ -		\$ -	\$ -
Transfers of Indirect Costs 7300-7399	\$ -		\$ -	\$ -
TOTAL EXPENDITURES	\$ 13,921,464	\$ 7,746	\$ -	\$ 13,929,210
OTHER FINANCING SOURCES/USES				
Transfers In and Other Sources 8900-8979	\$ -	\$ -	\$ -	\$ -
Transfers Out and Other Uses 7600-7699	\$ -	\$ -	\$ -	\$ -
OPERATING SURPLUS (DEFICIT)*	\$ (13,888,396)	\$ (7,746)	\$ -	\$ (13,896,142)
BEGINNING FUND BALANCE 9791	\$ 14,812,335			\$ 14,812,335
Audit Adjustments/Other Restatements 9793/9795	\$ -			\$ -
ENDING FUND BALANCE	\$ 923,939	\$ (7,746)	\$ -	\$ 916,193
COMPONENTS OF ENDING FUND BALANCE:				
Nonspendable 9711-9719	\$ -	\$ -	\$ -	\$ -
Restricted 9740	\$ 923,939	\$ (7,746)	\$ -	\$ 916,193
Committed 9750-9760	\$ -	\$ -	\$ -	\$ -
Assigned 9780	\$ -	\$ -	\$ -	\$ -
Reserve for Economic Uncertainties 9789	\$ -	\$ -	\$ -	\$ -
Unassigned/Unappropriated Amount 9790	\$ -	\$ -	\$ -	\$ -

*Net Increase (Decrease) in Fund Balance

NOTE: 9790 amounts in Columns 1 and 4 must be positive

Los Angeles County Office of Education

Business Advisory Services

Revised 06/11/2021

Hawthorne School District
HETA and HFCE Local 6041

Explanations for Column 3 "Other Revisions" entered on Pages 4a through 4h:

Page 4a: Unrestricted General Fund	Amount	Explanation
Revenues	\$ -	
Expenditures	\$ 556,015	Total adjustment for unrepresented and management employees.
Other Financing Sources/Uses	\$ (333,363)	Increase in contribution to accommodate salary increases.

Page 4b: Restricted General Fund	Amount	Explanation
Revenues	\$ -	
Expenditures	\$ 333,363	Total adjustment for unrepresented and management employees.
Other Financing Sources/Uses	\$ 333,363	Increase in contribution to accommodate salary increases.

Page 4d: Fund 11 - Adult Education Fund	Amount	Explanation
Revenues	\$ -	
Expenditures	\$ -	
Other Financing Sources/Uses	\$ -	

Page 4e: Fund 12 - Child Development Fund	Amount	Explanation
Revenues	\$ -	
Expenditures	\$ (48,616)	Includes adjustment to accommodate salary increases.
Other Financing Sources/Uses	\$ -	

Page 4f: Fund 13/61 - Cafeteria Fund	Amount	Explanation
Revenues	\$ -	
Expenditures	\$ 92,938	Total adjustment for unrepresented and management employees.
Other Financing Sources/Uses	\$ -	

Page 4g: Other	Amount	Explanation
Revenues	\$ -	
Expenditures	\$ 31,477	Total adjustment for unrepresented and management employees.
Other Financing Sources/Uses	\$ -	

Page 4h: Other	Amount	Explanation
Revenues	\$ -	
Expenditures	\$ -	
Other Financing Sources/Uses	\$ -	

Additional Comments:

These budgetary changes are necessary to accommodate the total increase in compensation. For unrestricted funds, fund balance and assigned funds are being utilized. For restricted funds the use a combination of fund balance and adjustment to other expenditures are planned to meet the increase in compensation.

Hawthorne School District

H. IMPACT OF PROPOSED AGREEMENT ON SUBSEQUENT YEARS**Unrestricted General Fund MYP**

Bargaining Unit:

HETA and HFCE Local 6041

Object Code	2021-22	2022-23	2023-24
	Total Revised Budget After Settlement	First Subsequent Year After Settlement	Second Subsequent Year After Settlement
REVENUES			
LCFF Revenue 8010-8099	\$ 85,464,437	\$ 78,778,111	\$ 80,813,203
Federal Revenue 8100-8299	\$ -	\$ -	\$ -
Other State Revenue 8300-8599	\$ 1,196,532	\$ 1,248,105	\$ 1,230,238
Other Local Revenue 8600-8799	\$ 1,739,541	\$ 1,631,600	\$ 1,631,600
TOTAL REVENUES	\$ 88,400,510	\$ 81,657,816	\$ 83,675,041
EXPENDITURES			
Certificated Salaries 1000-1999	\$ 34,629,513	\$ 33,603,305	\$ 33,850,553
Classified Salaries 2000-2999	\$ 10,870,717	\$ 9,410,892	\$ 9,547,350
Employee Benefits 3000-3999	\$ 20,761,000	\$ 20,942,212	\$ 21,758,818
Books and Supplies 4000-4999	\$ 6,694,120	\$ 2,375,970	\$ 2,975,970
Services and Other Operating Expenditures 5000-5999	\$ 6,969,334	\$ 7,000,361	\$ 7,030,361
Capital Outlay 6000-6999	\$ 36,812	\$ 366,812	\$ 366,812
Other Outgo (excluding Indirect Costs) 7100-7299 7400-7499	\$ 590,612	\$ 590,112	\$ 593,987
Transfers of Indirect Costs 7300-7399	\$ (897,310)	\$ (876,980)	\$ (876,836)
Other Adjustments			\$ -
TOTAL EXPENDITURES	\$ 79,654,798	\$ 73,412,684	\$ 75,247,015
OTHER FINANCING SOURCES/USES			
Transfers In and Other Sources 8900-8979	\$ 565,681	\$ 569,556	\$ 569,556
Transfers Out and Other Uses 7600-7699	\$ -	\$ -	\$ -
Contributions 8980-8999	\$ (15,904,354)	\$ (14,991,119)	\$ (15,382,956)
OPERATING SURPLUS (DEFICIT)*	\$ (6,592,960)	\$ (6,176,431)	\$ (6,385,374)
BEGINNING FUND BALANCE 9791	\$ 36,821,274	\$ 30,228,314	\$ 24,051,883
Audit Adjustments/Other Restatements 9793/9795	\$ -		
ENDING FUND BALANCE	\$ 30,228,314	\$ 24,051,883	\$ 17,666,509
COMPONENTS OF ENDING FUND BALANCE:			
Nonspendable 9711-9719	\$ 250,773	\$ 176,000	\$ 176,000
Restricted 9740			
Committed 9750-9760	\$ -	\$ -	\$ -
Assigned 9780	\$ -	\$ -	\$ -
Reserve for Economic Uncertainties 9789	\$ 4,596,938	\$ 3,716,255	\$ 3,651,535
Unassigned/Unappropriated Amount 9790	\$ 25,380,603	\$ 20,159,628	\$ 13,838,975

*Net Increase (Decrease) in Fund Balance

NOTE: 9790 amounts must be positive

Hawthorne School District

H. IMPACT OF PROPOSED AGREEMENT ON SUBSEQUENT YEARS**Restricted General Fund MYP**

Bargaining Unit:

HETA and HFCE Local 6041

Object Code	2021-22	2022-23	2023-24
	Total Revised Budget After Settlement	First Subsequent Year After Settlement	Second Subsequent Year After Settlement
REVENUES			
LCFF Revenue 8010-8099	\$ -	\$ -	\$ -
Federal Revenue 8100-8299	\$ 42,387,641	\$ 5,384,159	\$ 5,384,159
Other State Revenue 8300-8599	\$ 26,843,413	\$ 21,215,179	\$ 21,252,366
Other Local Revenue 8600-8799	\$ 287,710	\$ -	\$ -
TOTAL REVENUES	\$ 69,518,764	\$ 26,599,338	\$ 26,636,525
EXPENDITURES			
Certificated Salaries 1000-1999	\$ 15,153,419	\$ 14,808,521	\$ 15,023,245
Classified Salaries 2000-2999	\$ 6,374,863	\$ 6,375,268	\$ 6,467,268
Employee Benefits 3000-3999	\$ 14,151,570	\$ 14,903,605	\$ 15,307,845
Books and Supplies 4000-4999	\$ 8,168,144	\$ 3,400,894	\$ 1,832,344
Services and Other Operating Expenditures 5000-5999	\$ 20,700,923	\$ 8,468,039	\$ 5,334,074
Capital Outlay 6000-6999	\$ 6,482,520	\$ 8,073	\$ 8,073
Other Outgo (excluding Indirect Costs) 7100-7299 7400-7499	\$ 2,050,100	\$ 2,050,100	\$ 2,050,100
Transfers of Indirect Costs 7300-7399	\$ 494,946	\$ 447,998	\$ 447,854
Other Adjustments		\$ -	\$ -
TOTAL EXPENDITURES	\$ 73,576,484	\$ 50,462,498	\$ 46,470,803
OTHER FINANCING SOURCES/USES			
Transfers In and Other Sources 8900-8979	\$ -	\$ -	\$ -
Transfers Out and Other Uses 7600-7699	\$ 319,938	\$ 319,938	\$ 319,938
Contributions 8980-8999	\$ 15,904,354	\$ 14,991,119	\$ 15,382,956
OPERATING SURPLUS (DEFICIT)*	\$ 11,526,696	\$ (9,191,979)	\$ (4,771,260)
BEGINNING FUND BALANCE 9791	\$ 5,303,153	\$ 16,829,849	\$ 7,637,870
Audit Adjustments/Other Restatements 9793/9795	\$ -		
ENDING FUND BALANCE	\$ 16,829,849	\$ 7,637,870	\$ 2,866,610
COMPONENTS OF ENDING FUND BALANCE:			
Nonspendable 9711-9719	\$ -	\$ -	\$ -
Restricted 9740	\$ 16,829,849	\$ -	\$ -
Committed 9750-9760			
Assigned 9780			
Reserve for Economic Uncertainties 9789	\$ -	\$ -	\$ -
Unassigned/Unappropriated Amount 9790	\$ -	\$ 7,637,870	\$ 2,866,610

*Net Increase (Decrease) in Fund Balance

NOTE: 9790 amounts must be positive

Hawthorne School District

H. IMPACT OF PROPOSED AGREEMENT ON SUBSEQUENT YEARS**Combined General Fund MYP**

Bargaining Unit:

HETA and HFCE Local 6041

Object Code	2021-22	2022-23	2023-24
	Total Revised Budget After Settlement	First Subsequent Year After Settlement	Second Subsequent Year After Settlement
REVENUES			
LCFF Revenue 8010-8099	\$ 85,464,437	\$ 78,778,111	\$ 80,813,203
Federal Revenue 8100-8299	\$ 42,387,641	\$ 5,384,159	\$ 5,384,159
Other State Revenue 8300-8599	\$ 28,039,945	\$ 22,463,284	\$ 22,482,604
Other Local Revenue 8600-8799	\$ 2,027,251	\$ 1,631,600	\$ 1,631,600
TOTAL REVENUES	\$ 157,919,275	\$ 108,257,154	\$ 110,311,566
EXPENDITURES			
Certificated Salaries 1000-1999	\$ 49,782,932	\$ 48,411,826	\$ 48,873,798
Classified Salaries 2000-2999	\$ 17,245,580	\$ 15,786,160	\$ 16,014,618
Employee Benefits 3000-3999	\$ 34,912,570	\$ 35,845,817	\$ 37,066,663
Books and Supplies 4000-4999	\$ 14,862,263	\$ 5,776,864	\$ 4,808,314
Services and Other Operating Expenditures 5000-5999	\$ 27,670,257	\$ 15,468,400	\$ 12,364,435
Capital Outlay 6000-6999	\$ 6,519,332	\$ 374,885	\$ 374,885
Other Outgo (excuding Indirect Costs) 7100-7299 7400-7499	\$ 2,640,712	\$ 2,640,212	\$ 2,644,087
Transfers of Indirect Costs 7300-7399	\$ (402,364)	\$ (428,982)	\$ (428,982)
Other Adjustments		\$ -	\$ -
TOTAL EXPENDITURES	\$ 153,231,282	\$ 123,875,182	\$ 121,717,818
OTHER FINANCING SOURCES/USES			
Transfers In and Other Sources 8900-8979	\$ 565,681	\$ 569,556	\$ 569,556
Transfers Out and Other Uses 7600-7699	\$ 319,938	\$ 319,938	\$ 319,938
Contributions 8980-8999	\$ -	\$ -	\$ -
OPERATING SURPLUS (DEFICIT)*	\$ 4,933,736	\$ (15,368,410)	\$ (11,156,634)
BEGINNING FUND BALANCE			
9791	\$ 42,124,428	\$ 47,058,163	\$ 31,689,754
Audit Adjustments/Other Restatements 9793/9795	\$ -		
ENDING FUND BALANCE	\$ 47,058,163	\$ 31,689,754	\$ 20,533,120
COMPONENTS OF ENDING FUND BALANCE:			
Nonspendable 9711-9719	\$ 250,773	\$ 176,000	\$ 176,000
Restricted 9740	\$ 16,829,849	\$ -	\$ -
Committed 9750-9760	\$ -	\$ -	\$ -
Assigned 9780	\$ -	\$ -	\$ -
Reserve for Economic Uncertainties 9789	\$ 4,596,938	\$ 3,716,255	\$ 3,651,535
Unassigned/Unappropriated Amount 9790	\$ 25,380,603	\$ 27,797,498	\$ 16,705,585

*Net Increase (Decrease) in Fund Balance

NOTE: 9790 amounts must be positive

Hawthorne School District
HETA and HFCE Local 6041

I. IMPACT OF PROPOSED AGREEMENT ON UNRESTRICTED RESERVES

1. State Reserve Standard

		2021-22	2022-23	2023-24
a.	Total Expenditures, Transfers Out, and Uses (Including Cost of Proposed Agreement)	\$ 153,551,220	\$ 124,195,120	\$ 122,037,756
b.	Less: Special Education Pass-Through Funds	\$ -	\$ -	\$ -
c.	Net Expenditures, Transfers Out, and Uses	\$ 153,551,220	\$ 124,195,120	\$ 122,037,756
d.	State Standard Minimum Reserve Percentage for this District Enter percentage →	3.00%	3.00%	3.00%
e.	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)	\$ 4,606,537	\$ 3,725,854	\$ 3,661,133

2. Budgeted Unrestricted Reserve (After Impact of Proposed Agreement)

a.	General Fund Budgeted Unrestricted Designated for Economic Uncertainties (9789)	\$ 4,596,938	\$ 3,716,255	\$ 3,651,535
b.	General Fund Budgeted Unrestricted Unassigned/Unappropriated Amount (9790)	\$ 25,380,603	\$ 20,159,628	\$ 13,838,975
c.	Special Reserve Fund (Fund 17) Budgeted Designated for Economic Uncertainties (9789)	\$ -	\$ -	\$ -
d.	Special Reserve Fund (Fund 17) Budgeted Unassigned/Unappropriated Amount (9790)	\$ -	\$ -	\$ -
e.	Total Available Reserves	\$ 29,977,542	\$ 23,875,883	\$ 17,490,509
f.	Reserve for Economic Uncertainties Percentage	19.52%	19.22%	14.33%

3. Do unrestricted reserves meet the state minimum reserve amount?

2021-22

Yes

☒

No

☐

2022-23

Yes

☒

No

☐

2023-24

Yes

☒

No

☐

4. If no, how do you plan to restore your reserves?

N/A

Hawthorne School District
HETA and HFCE Local 6041**5. Does the Total Compensation Increase/(Decrease) on Page 1, Section A, #5 agree with the Total Increase/(Decrease) for all funds as a result of the settlement(s)? Please explain any variance.**

Total Compensation Increase/(Decrease) on Page 1, Section A, #5	\$ 7,796,784
General Fund balance Increase/(Decrease), Page 4c, Column 2	\$ (7,179,500)
Adult Education Fund balance Increase/(Decrease), Page 4d, Column 2	\$ -
Child Development Fund balance Increase/(Decrease), Page 4e, Column 2	\$ (48,616)
Cafeteria Fund balance Increase/(Decrease), Page 4f, Column 2	\$ (172,022)
Other Fund balance Increase/(Decrease), Page 4g, Column 2	\$ (388,900)
Other Fund balance Increase/(Decrease), Page 4h, Column 2	\$ (7,746)
Total all fund balances Increase/(Decrease) as a result of the settlement(s)	\$ (7,796,784)

Variance \$ -

Variance Explanation:

N/A

6. Will this agreement create or increase deficit financing in the current or subsequent years?

"Deficit Financing" is defined to exist when a fund's expenditures and other financing uses exceed its revenues and other financing sources in a given year. If a deficit is shown below, provide an explanation and any deficit reduction plan, as necessary.

General Fund Combined	Surplus/ (Deficit)	(Deficit) %	Deficit primarily due to:
Current FY Surplus/(Deficit) before settlement(s)?	\$ 13,002,614	8.9%	
Current FY Surplus/(Deficit) after settlement(s)?	\$ 4,933,736	3.2%	
1st Subsequent FY Surplus/(Deficit) after settlement(s)?	\$ (15,368,410)	(12.4%)	Spending down ESSER/and unr reserves.
2nd Subsequent FY Surplus/(Deficit) after settlement(s)?	\$ (11,156,634)	(9.1%)	Spending down ESSER/and unr reserves.

Deficit Reduction Plan (as necessary):

The District will continue to right-size as we continue to experience declining enrollment. This will allow us to manage deficit spending as we move into the future.

7. Were "Other Adjustments" amount(s) entered in the multiyear projections (pages 5a and 5b) for 1st and 2nd Subsequent FY?

"Other Adjustments" could indicate that a budget reduction plan was/is being developed to address deficit spending, and to rebuild reserves. Any amount shown below must have an explanation. If additional space is needed, attach a separate sheet, or use page 8a.

MYP	Amount	"Other Adjustments" Explanation
1st Subsequent FY Unrestricted, Page 5a	\$ -	
1st Subsequent FY Restricted, Page 5b	\$ -	
2nd Subsequent FY Unrestricted, Page 5a	\$ -	
2nd Subsequent FY Restricted, Page 5b	\$ -	

J. CERTIFICATION NO. 1: CERTIFICATION OF THE DISTRICT'S ABILITY TO MEET THE COSTS OF THE COLLECTIVE BARGAINING AGREEMENT

This certification page must be signed by the district's Superintendent and Chief Business Official at the time of public disclosure and is intended to assist the district's Governing Board in determining whether the district can meet the costs incurred under the tentative Collective Bargaining Agreement in the current and subsequent years. The absence of a certification signature or if "I am unable to certify" is checked should serve as a "red flag" to the district's Governing Board.

In accordance with the requirements of Government Code Sections 3540.2 and 3547.5, the Superintendent and Chief Business Official of the Hawthorne School District, hereby certify that the District can meet the costs incurred under this Collective Bargaining Agreement during the term of the agreement from July 1, 2021 to June 30, 2022.

Board Actions

The board actions necessary to meet the cost of the agreement in each year of its term are as follows:

Current Year

Budget Adjustment Categories:

Revenues/Other Financing Sources
Expenditures/Other Financing Uses
Ending Balance(s) Increase/(Decrease)

Budget Adjustment Increase/(Decrease)	
\$	-
\$	8,761,961
\$	(8,761,961)

Subsequent Years

Budget Adjustment Categories:

Revenues/Other Financing Sources
Expenditures/Other Financing Uses
Ending Balance(s) Increase/(Decrease)

Budget Adjustment Increase/(Decrease)	
\$	-
\$	-
\$	-

Budget Revisions

If the district does not adopt and submit within 45 days all of the revisions to its budget needed in the current year to meet the costs of the agreement at the time of the approval of the proposed collective bargaining agreement, the county superintendent of schools is required to issue a qualified or negative certification for the district on its next interim report.

Assumptions

See attached page for a list of the assumptions upon which this certification is based.

Certifications

☒ I hereby certify ☐ I am unable to certify

Debra E. Morgan
District Superintendent
(Signature)

4/27/22
Date

☒ I hereby certify ☐ I am unable to certify

M. Pagniano
Chief Business Official
(Signature)

4/27/22
Date

Special Note: The Los Angeles County Office of Education may request additional information, as necessary, to review the district's compliance with requirements.

Hawthorne School District
HETA and HFCE Local 6041

Assumptions and Explanations (enter or attach documentation)

The assumptions upon which this certification is made are as follows:

Many of the assumptions used in budget development are received directly from the Los Angeles County Office of Education (LACOE) or are recommendations from School Services of California (SSC). Assumptions include the most current projections for revenue and factor in the ongoing cost changes to STRS/PERS, health and welfare, and associated costs based on current available information.

Enrollment fluctuations, changes in LCFF funding, and additional reductions in staffing levels (FTEs) could change the current projections.

Concerns regarding affordability of agreement in subsequent years (if any):