



# 2021-22 SECOND INTERIM REPORT

MARCH 10, 2022

# AGENDA

1. Economic Overview
2. District Budget Update
3. Enrollment and Average Daily Attendance (ADA)
4. COVID Funding
5. Multiyear Projections
6. Other Funds Summary
7. Future Outlook
8. Questions

## PURPOSE

Education Code 42131 requires the Interim Report and Certification of Financial Condition be approved by the Governing Board of the School District.

The staff recommends a “Positive Certification” which certifies that based upon the current projections Hacienda La Puente Unified School District will meet its financial obligations for the current fiscal year and two subsequent fiscal years.

# ECONOMIC OUTLOOK

January 10, 2022: Governor released 2022-23 Proposed Budget

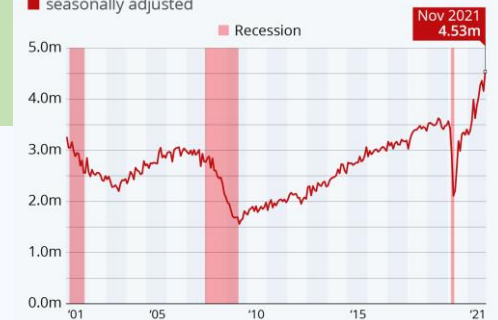
- General Fund Surplus 45.7 Billion
- Estimated statutory LCFF COLA of 5.33%
- Universal TK expansion (full implementation by 2025-26)
- Investment in Expanded Learning Opportunities Program (ELOP)
- Expansion of School Facility Program
- Universal Meals program
- Electric Bus transition
- Supplemental Paid Sick Leave

Great Resignation? / Great Upgrade?  
Supply Chain Hurdles  
Covid -19 Trajectory  
Declining Enrollment & High Absenteeism



## The Great Resignation

Number of people quitting their jobs in the United States, seasonally adjusted



Source: U.S. Bureau of Labor Statistics

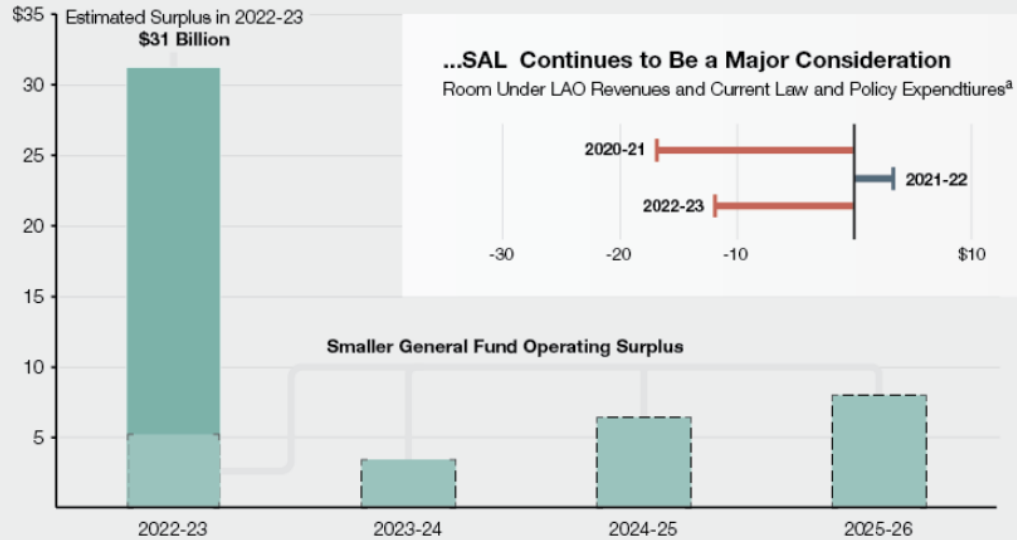


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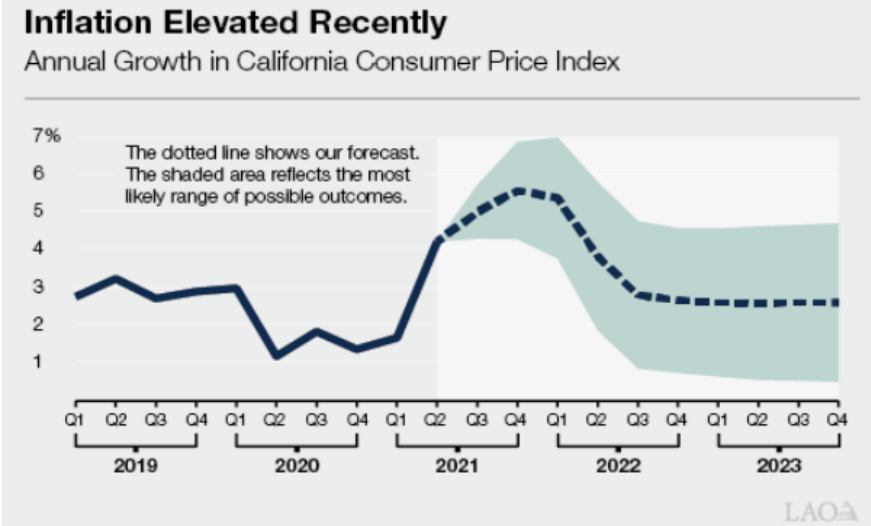
# ECONOMIC OUTLOOK

**Significant estimated surplus in 2022-23, but a Smaller Share is ongoing...**

**Significant Estimated Surplus in 2022-23, but a Smaller Share Is Ongoing...**  
(In Billions)



<sup>a</sup> These estimates do not assume those revenues are spent on exclusions, like capital outlay, above current law and policy. The Governor's budget will include discretionary proposals on spending. As such, those estimates will be different by billions of dollars.  
SAL = state appropriations limit.



*State Revenues Look Promising*

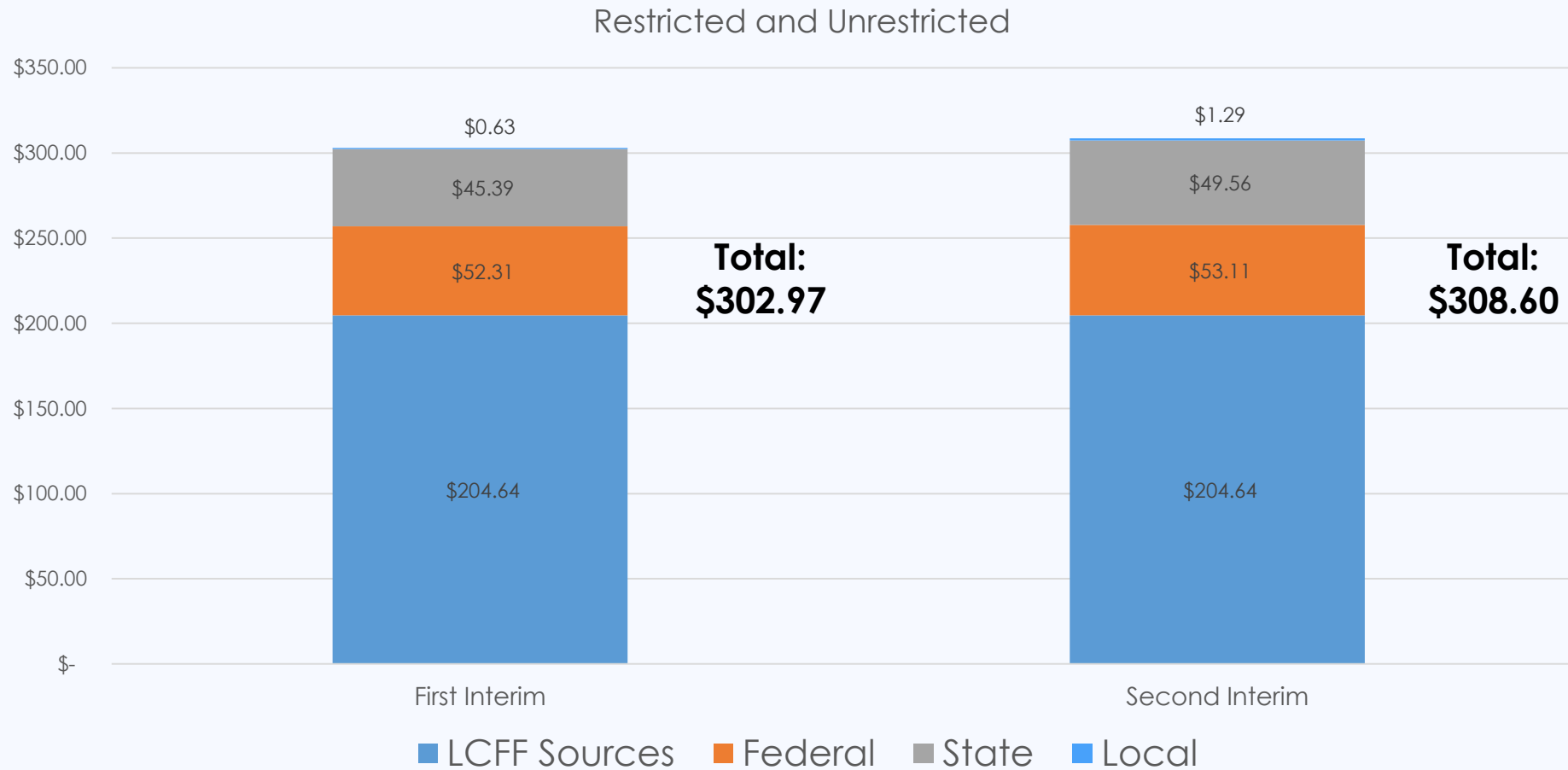
*COLA Likely to be Higher in May*

*Federal Government – Third Continuing Resolution*

*Geopolitical Turbulence?*

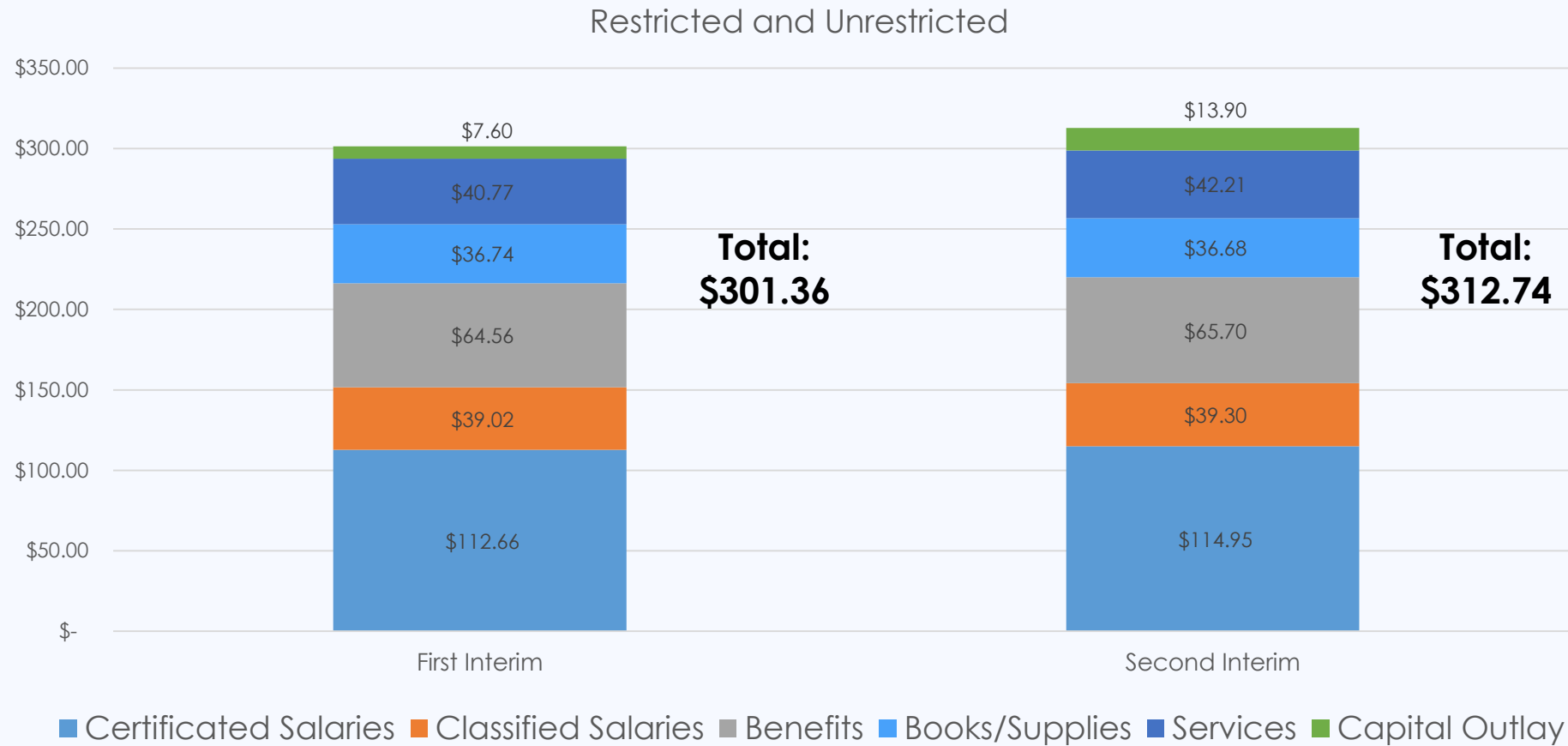
# HLPUSD BUDGET UPDATE – REVENUES

\$ in Millions



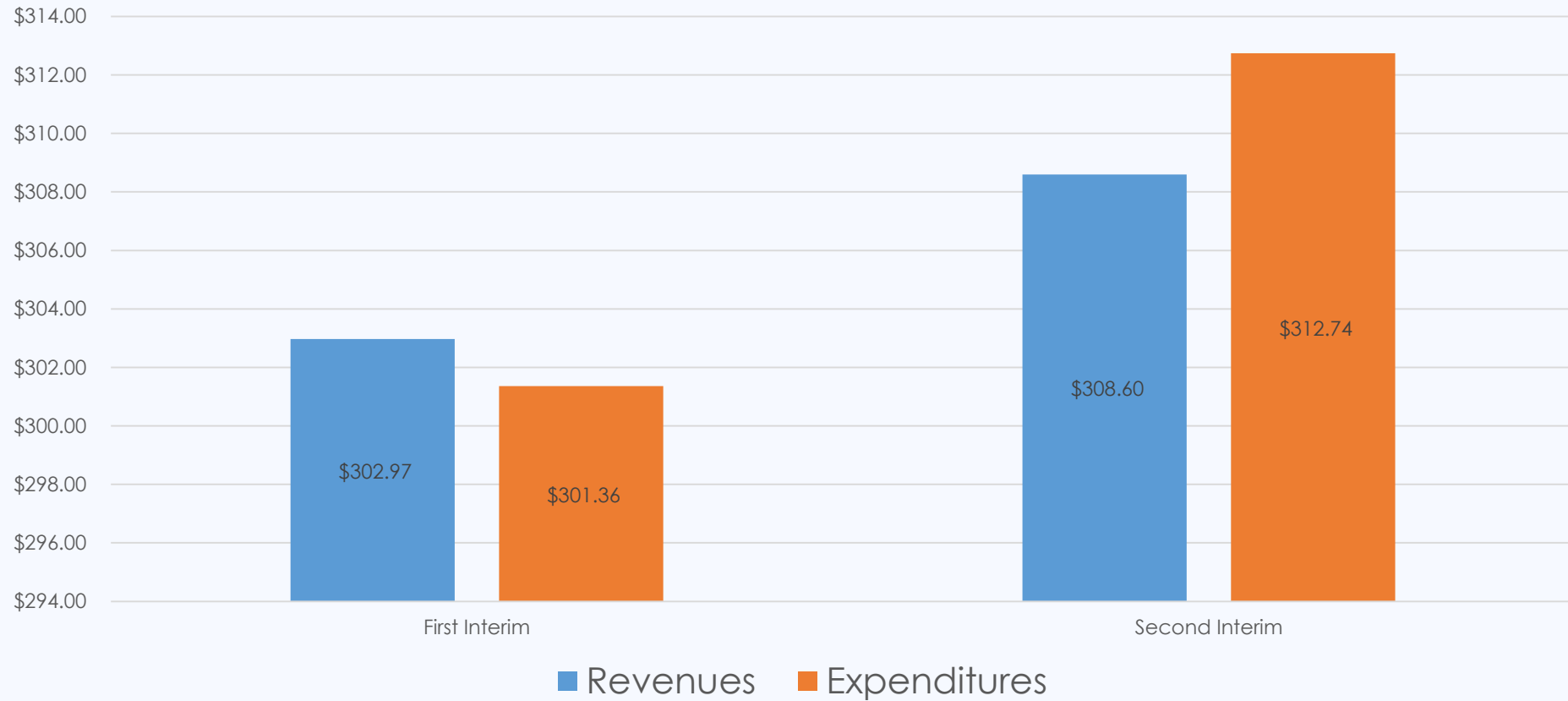
# HLPUSD BUDGET UPDATE - EXPENDITURES

\$ in Millions



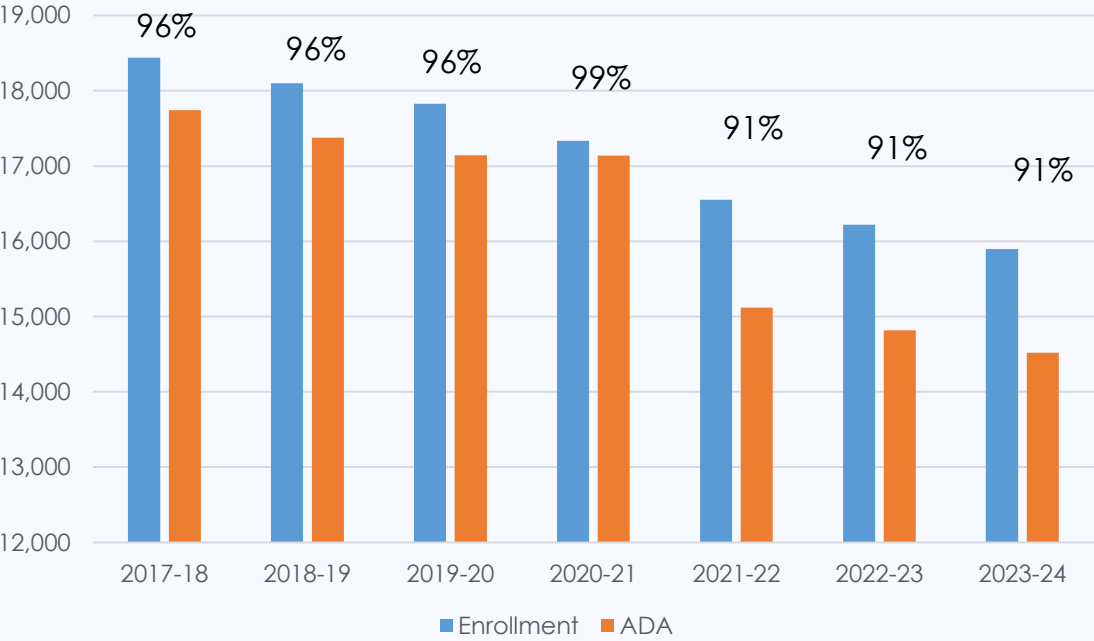
# REVENUE AND EXPENDITURE COMPARISON

Restricted and Unrestricted

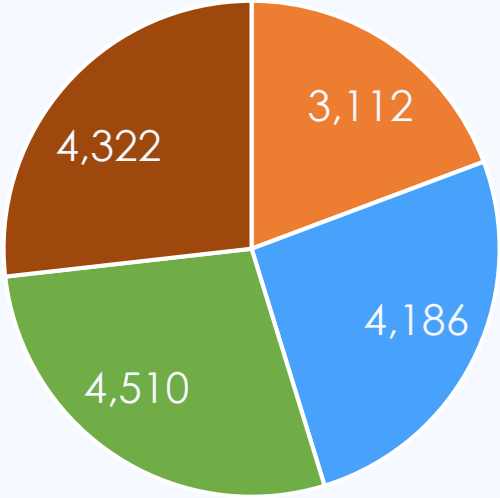




# ENROLLMENT AND ADA



## 2021-22 Enrollment by QUAD



■ La Puente ■ Los Altos ■ Wilson ■ Workman

Numbers obtained from local attendance data.

# FUNDED ADA



# COVID FUNDING

Funding Source	ESSER I	ESSER II	ESSER III	LLM	GEER	State LLM
Allocation	\$ 4,039,906.00	\$ 15,997,162.00	\$ 35,953,130.00	\$ 15,770,344.00	\$ 993,624.00	\$ 1,631,099.00
Expended/Encumbered	\$ 4,039,906.00	\$ 8,792,670.87	\$ 3,347,827.87	\$ 15,770,344.00	\$ 993,624.00	\$ 1,631,099.00
Balance	\$ -	\$ 7,204,491.13	\$ 32,605,302.13	\$ -	\$ -	\$ -
Expiration	Completed	9/30/2023	9/30/2024	Completed	Completed	Completed

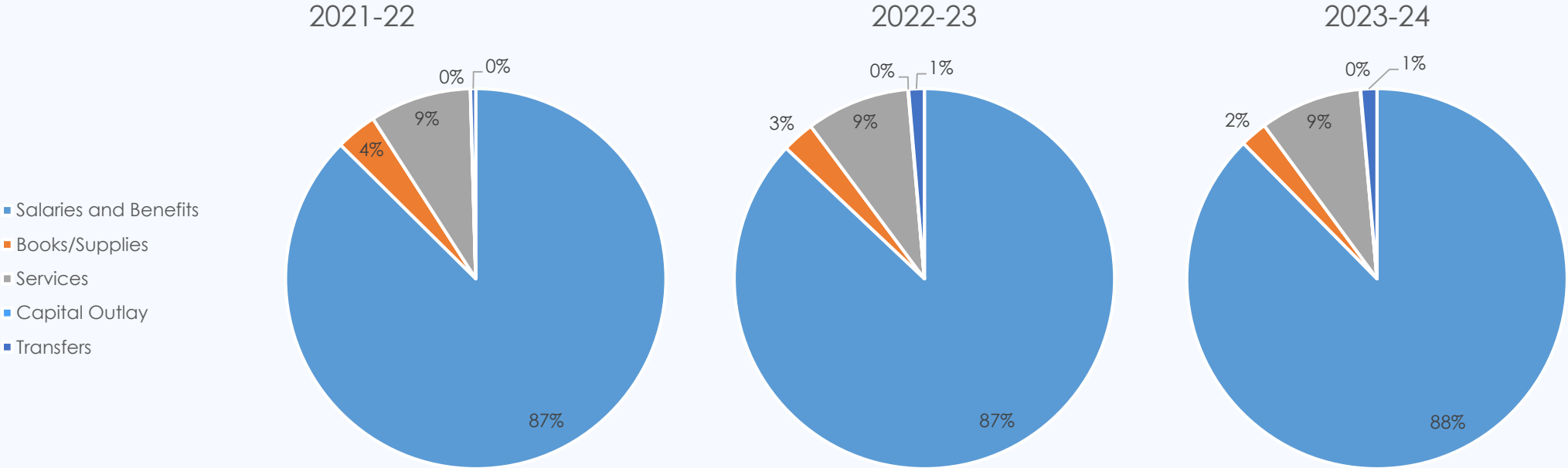
Planned Uses: HVAC, Technology, Distance Learning Software, Summer School, Student/Family Support, dual immersion/literacy support.

# MULTIYEAR PROJECTIONS

\$ in Millions

	2021-22	2022-23	2023-24
<b>Beginning Fund Balance</b>	\$ 39.62	\$ 44.44	\$ 30.63
<b>Revenues</b>	\$ 188.64	\$ 174.01	\$ 171.53
<b>Expenditures</b>	\$ 183.83	\$ 187.82	\$ 182.73
<b>Ending Fund Balance</b>	\$ 44.44	\$ 30.63	\$ 19.43
<b>Minimum Reserve</b>	\$ 9.53	\$ 8.37	\$ 8.02

# EXPENDITURE PROJECTIONS



# OTHER FUNDS SUMMARY

\$ in Millions

Fund	Description	Beginning Balance	Revenues + Transfer In	Expenditures + Transfers Out	Ending Fund Balance
11	Adult Education Fund	41.19	21.19	21.3	41.08
12	Child Development Fund	1.88	10.44	10.39	1.93
13	Food Services Fund	3.45	11.54	11.62	3.37
14	Deferred Maintenance Fund	7.95	1	3.15	5.8
21	Building Fund	36.67	0.009	25.17	11.51
40	Special Reserve Fund	66.5	0	6.96	59.54
56	Debt Services Fund	33.5	6	5.56	33.94
67	Self Insurance Fund	48.89	31.5	31.5	48.89

## FUTURE OUTLOOK & NEXT STEPS

Operating Surplus (w/o Transfers out) for 2021-22

Significant Operating Deficits in out years (2022-23 and 2023-24)

Major Deferred Maintenance Projects pending (Fire and Life Safety, Communications, Transportation, Equipment and Technology)

March 10, 2022: 2021-22 Second Interim Budget Presentation to the Board

May 20, 2022: Governor's 2022-23 Budget May Revision Workshop

June 9, 2022: 2022-23 Proposed LCAP and Budget Presentation to the Board

QUESTIONS?