



2023-2024 SECOND INTERIM REPORT

MARCH 14, 2024

AGENDA

1. Economic Overview
2. District Budget Update
3. Enrollment
4. Multiyear Projections
5. Other Funds Summary
6. Future Outlook
7. 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.

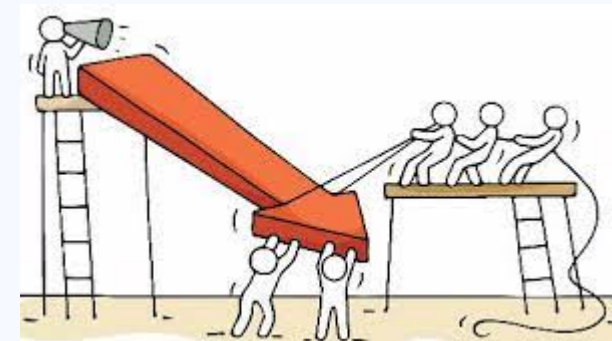
ECONOMIC OUTLOOK

- **2023-24 Stellar Year for California School Districts (8.22% Funded COLA)**
- **2024-25 Governor's Proposed Budget projects 0.76% COLA**
- **Tax Revenue in State is below projections – may adversely impact LCFF**
- **One-time Covid Relief Funds drying up**
- **School Districts are aligning budgets to revised projected Revenues**
- **Proposition 28 will protect the Arts Education Funding**



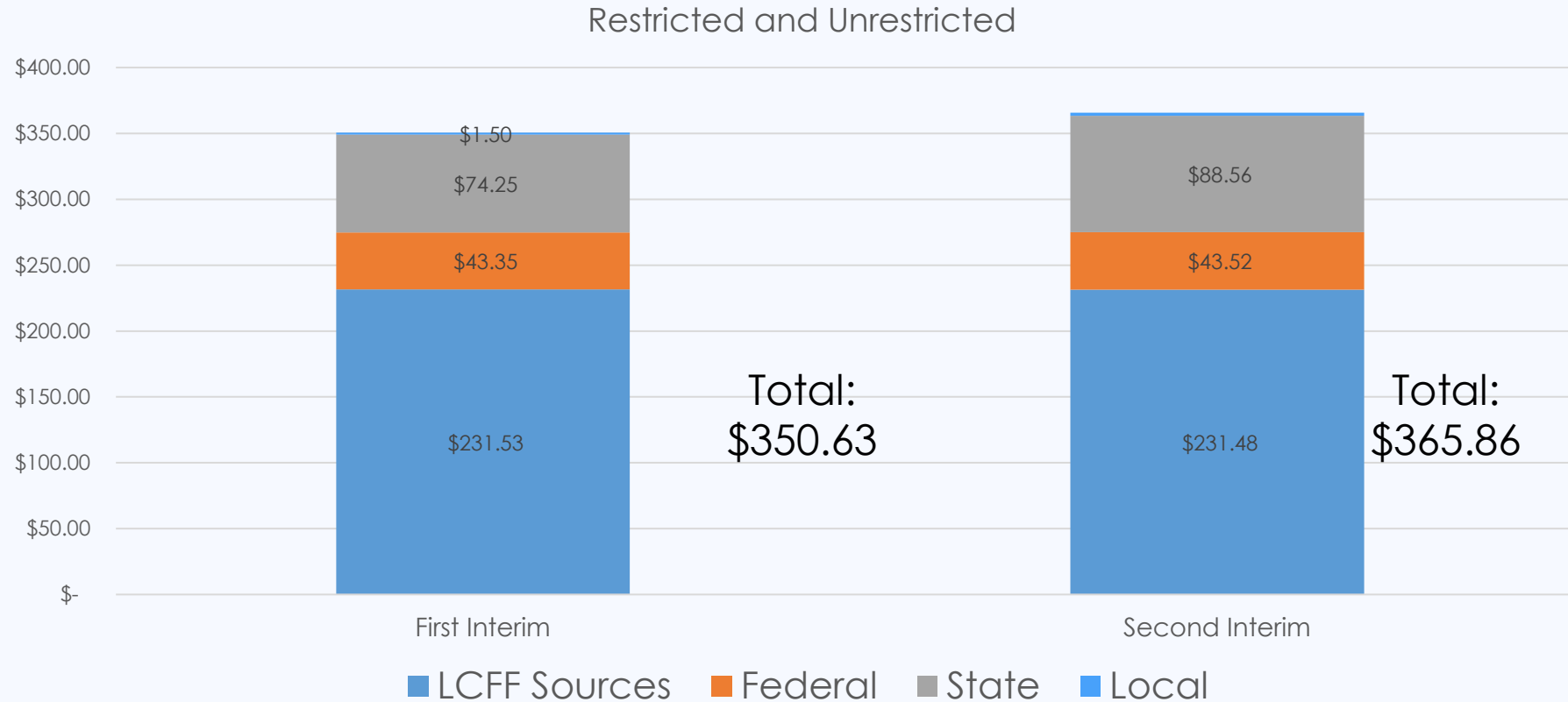
**Inflation - Stubborn
Low Unemployment
Continuing Appropriation**

**Declining Enrollment
Absenteeism still higher than Pre-Covid time**



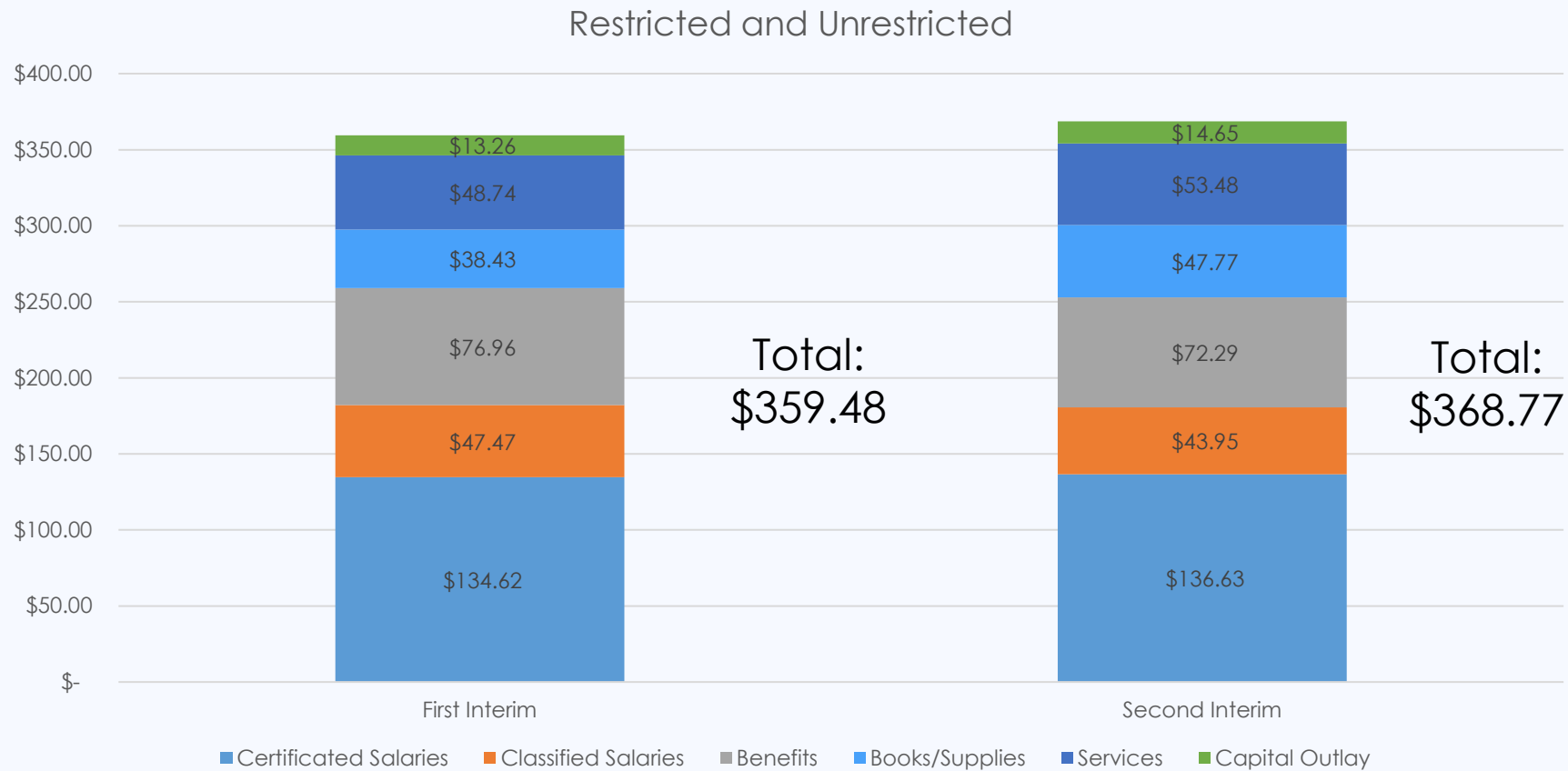
HLPUSD BUDGET UPDATE – REVENUES

\$ in Millions



HLPUSD BUDGET UPDATE - EXPENDITURES

\$ in Millions

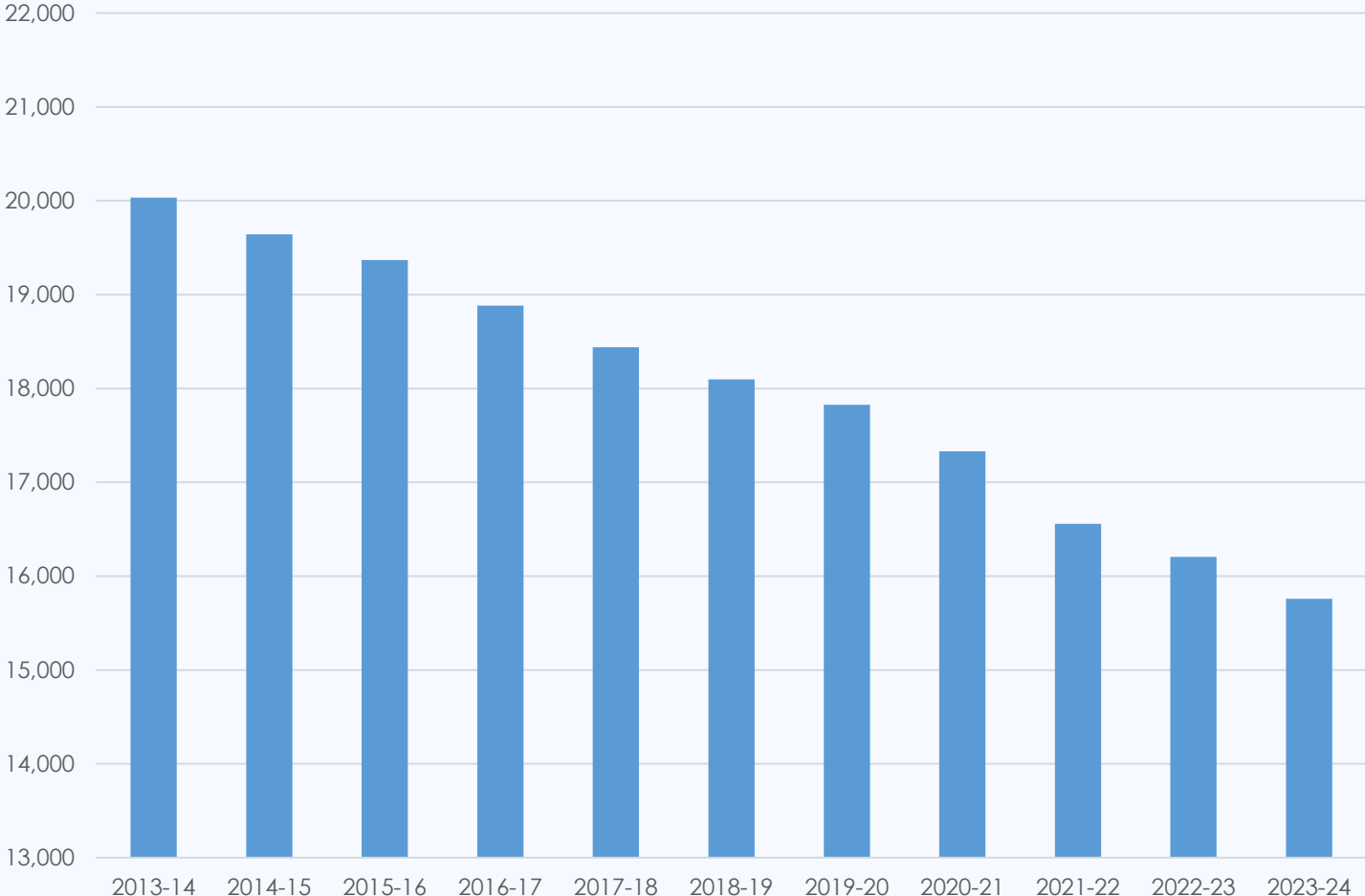


REVENUE AND EXPENDITURE COMPARISON

\$ in Millions



ENROLLMENT HISTORY



MULTIYEAR PROJECTIONS (UNRESTRICTED GENERAL FUND)

\$ in Millions

	2023-24	2024-25	2025-26
Beginning Fund Balance	\$ 62.50	\$ 51.00	\$ 36.09
Revenues	\$ 198.78	\$ 193.06	\$ 192.37
Expenditures	\$ 205.42	\$ 213.80	\$ 212.06
Ending Fund Balance	\$ 55.86	\$ 35.13	\$ 15.43
Minimum Reserve (3%)	\$ 11.18	\$ 9.99	\$ 9.96

OTHER FUNDS SUMMARY

\$ in Millions

Fund	Description	Beginning Balance	Revenues + Transfer In	Expenditures + Transfers Out	Ending Fund Balance
11	Adult Education Fund	43.34	31.80	38.65	36.49
12	Child Development Fund	2.82	14.05	15.32	1.55
13	Food Services Fund	11.59	14.70	14.99	11.30
14	Deferred Maintenance Fund	2.76	3.03	5.75	0.05
21	Building Fund	24.99	77.55	13.03	89.51
40	Special Reserve Fund	87.80	0.00	37.87	49.93
56	Debt Services Fund	27.87	6.00	8.60	25.27
67	Self Insurance Fund	45.75	28.45	28.94	45.26

FUTURE OUTLOOK & NEXT STEPS

Operating Deficit for 2023-2024, 2024-25, 2025-26

All 2023-24 Negotiations complete

Major Facilities (including Deferred Maintenance), Capital Expenditure and Technology Projects pending (Roofing, HVAC, Fire and Life Safety, Security Cameras, Communications, Transportation, Equipment and Technology)

May 2024: Governor's 2024-25 May Revision

June 2024: HLPUSD Proposed & Adopted Budget and Governor's Adopted Budget

QUESTIONS?