



Hacienda La Puente USD

2024-25 First Interim Financial Report

Report to the Board of Education
December 17, 2024

**Transformative Learning,
Pathways for Student Success!**

Agenda



- **2024-25 First Interim Report**
- **Our Mission and Budget**
- **Budget Reporting Cycle**
- **Our Financial Position**
- **Comparability**
- **California Economy / Fiscal Outlook**
- **Next Steps / Milestones**

First Interim Report



- **Education Code (EC) Sections 35035(i), 42130, and 42131 require the Governing Board of each school district to certify at least twice a year to the District's ability to meet its financial obligation for the remainder of the fiscal year and for the subsequent two fiscal years. First interim report is for the period ending October 31.**
- **Staff is recommending that the Board certifies, based on the current assumptions, the District will meet its financial obligations for the current fiscal year and subsequent two fiscal years (Positive Certification).**

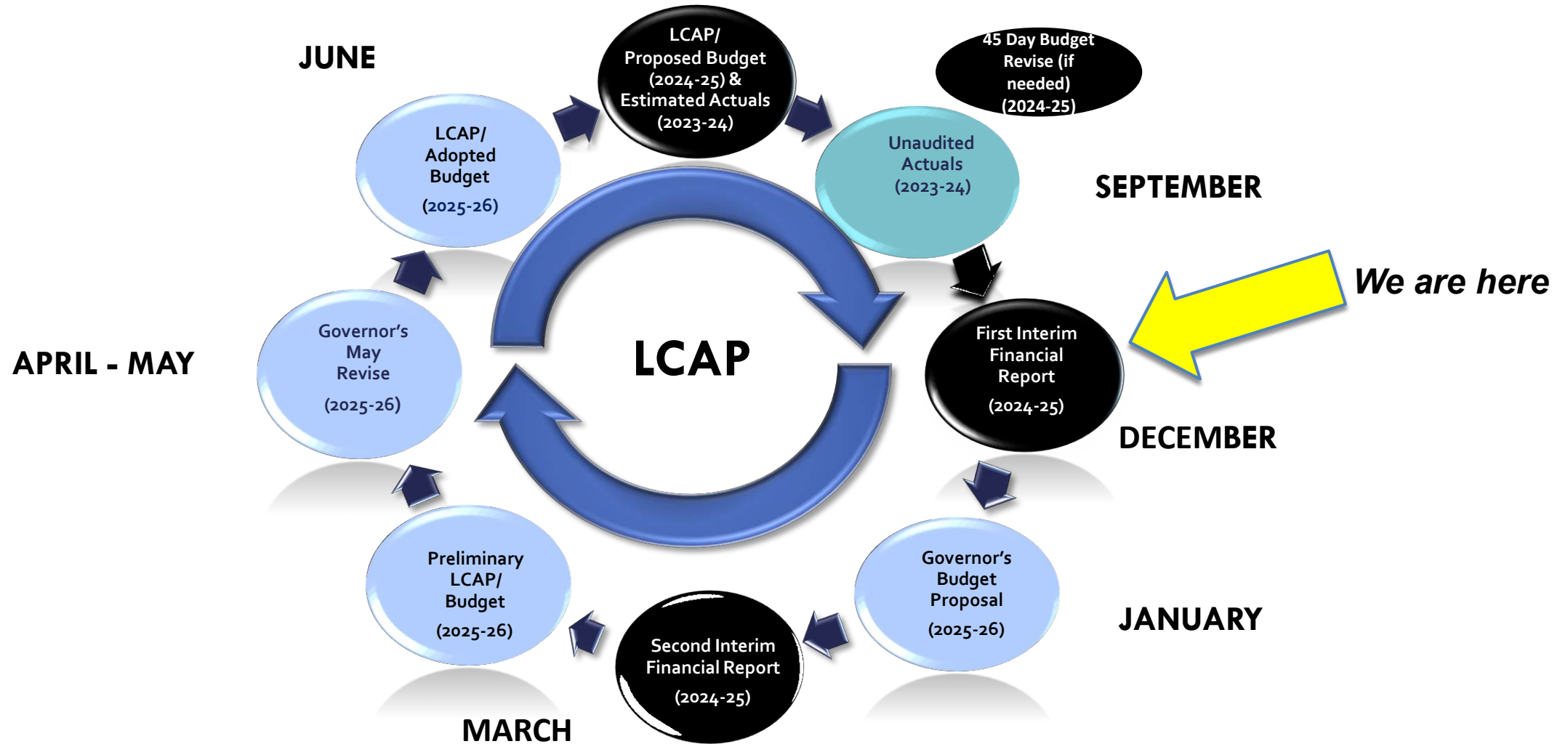
Mission

The Hacienda La Puente Unified School District is dedicated to maximizing the talents, interests, and abilities of all its students, enabling them to meet the challenges and opportunities of a changing world. The district curriculum is based on the California State Frameworks. Classroom instruction is integrated, thematically applied, technologically integrated, and sensitive to the individual learning styles of students and the needs of the multicultural community we serve.



*Maintain District stability, solvency,
and local control*

Budget Reporting Cycle



Our Financial Position

Highlights



- LACOE approved District's Adopted Budget
- District's 2024-25 Student Enrollment declined; however, slightly higher than projected during Budget Adoption
- District's Unduplicated Pupil Percentage (UPP) in line with projection
- District's Attendance Rate (ADA) declined significantly in November 2024
- District's identification/ designation of Students with Disabilities percentage increased
- District is experiencing significant cost pressures in Supplies, Services, Insurance and Utilities
- District is "Positive" self-certified; some course corrections needed in out years

Our Financial Position

General Fund Revenues



\$ in Millions

Unrestricted and Restricted



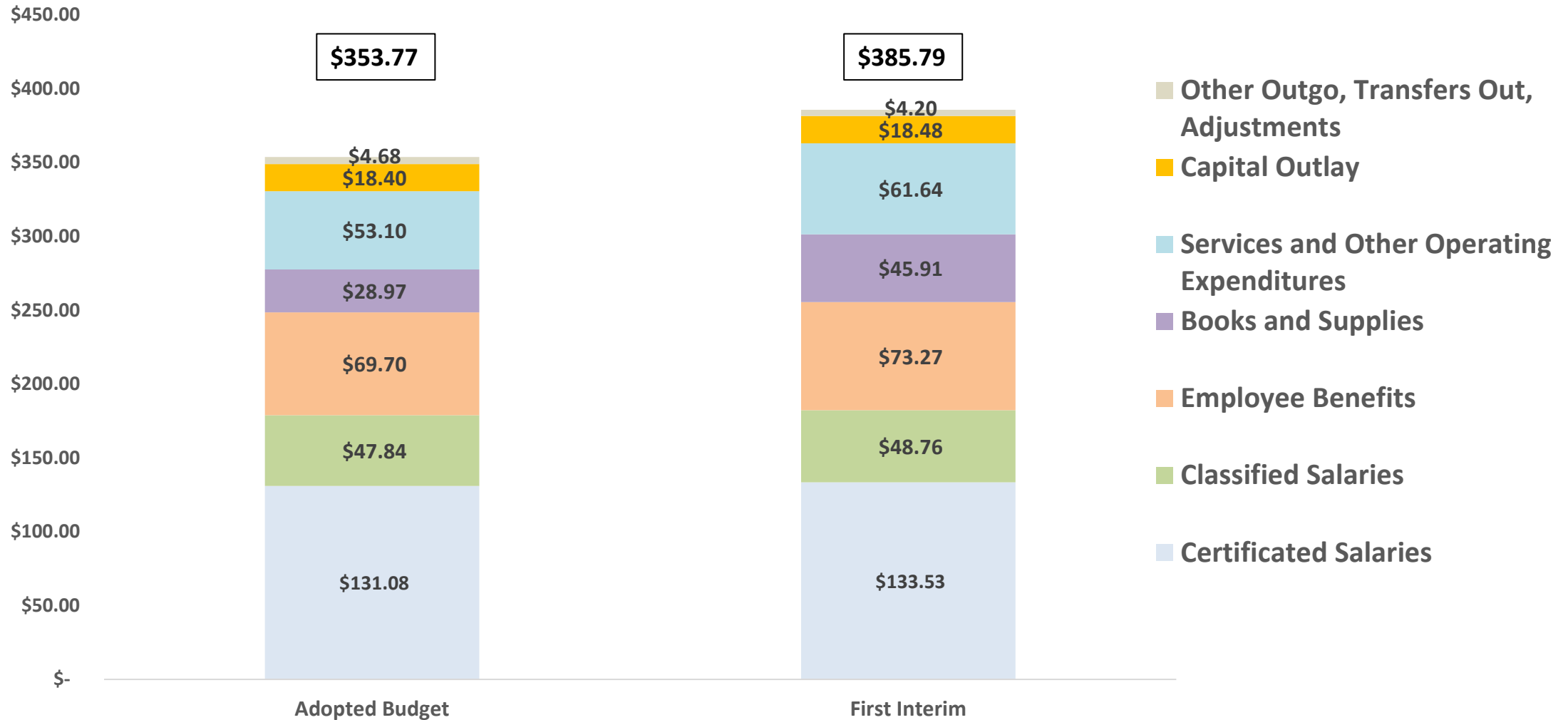
Our Financial Position

General Fund Expenditures



\$ in Millions

Unrestricted and Restricted



Our Financial Position

Other Funds Summary

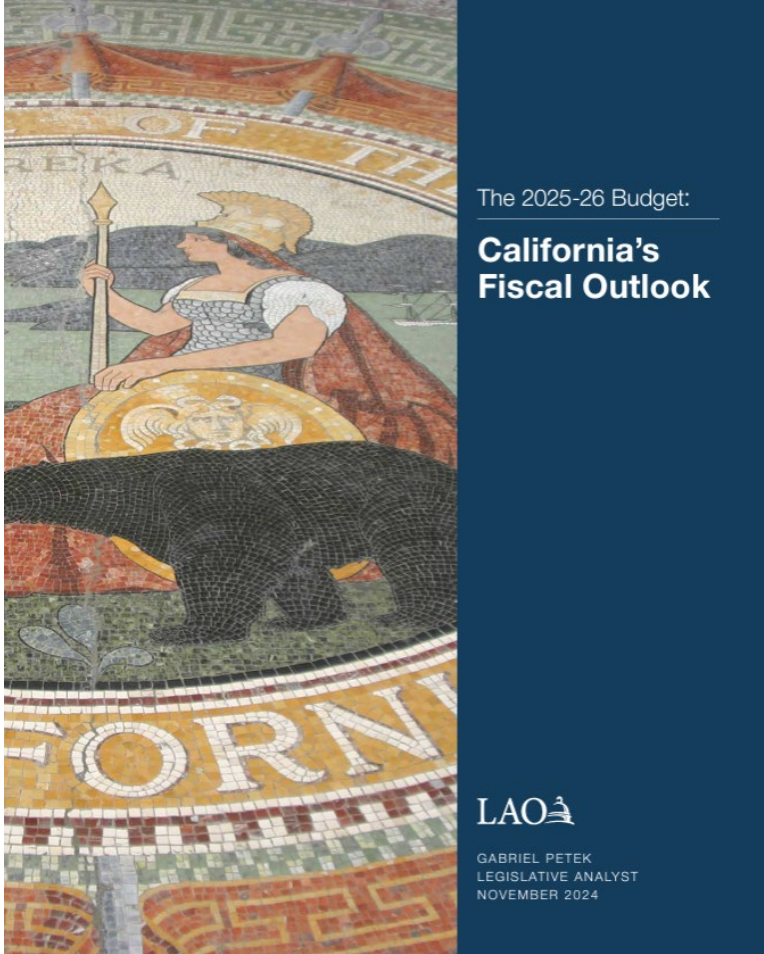
\$ in Millions



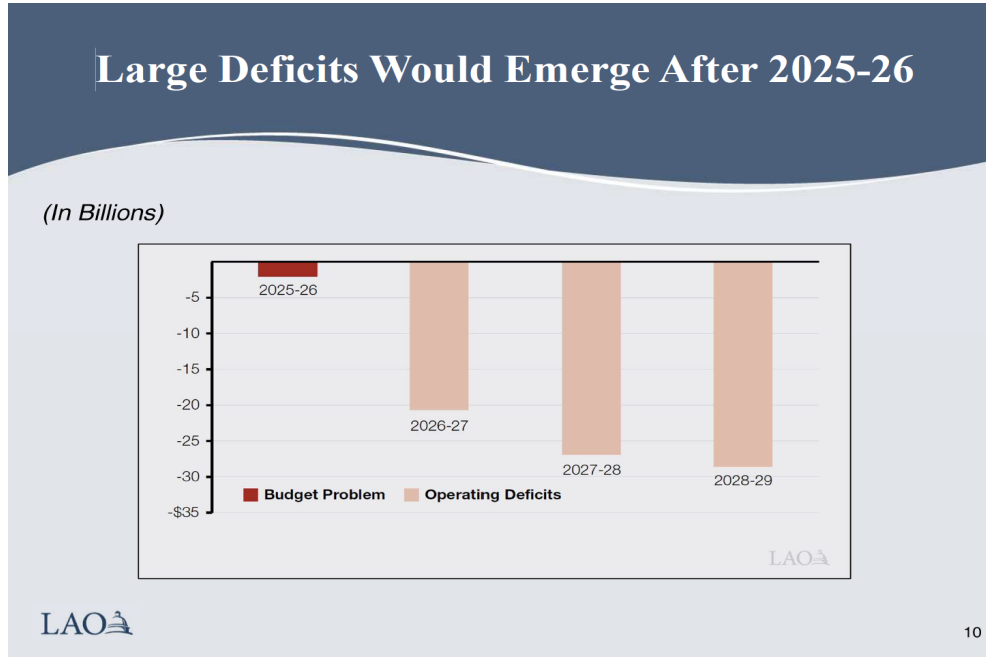
Fund	Description	Beginning Balance	Revenues + Transfer In	Expenditures + Transfers Out	Ending Fund Balance
11	Adult Education Fund	48.13	34.58	37.13	45.57
12	Child Development Fund	5.18	15.13	15.34	4.97
13	Food Services Fund	16.64	17.86	19.21	15.29
14	Deferred Maintenance Fund	3.52	5.06	5.22	3.36
21	Building Fund	92.55	1.62	55.14	39.03
40	Special Reserve Fund	71.06	1.12	20.34	51.85
56	Debt Services Fund	26.72	6.73	8.60	24.85
67	Self Insurance Fund	46.73	29.98	33.30	43.41

California Economy

Fiscal Outlook



- Growth in Consumer Spending Has Been Weaker Than Average
- Strong Stock Market Driving Large Gains for High Income Workers
- Revenue Estimates Are Up Compared With June Budget Estimates

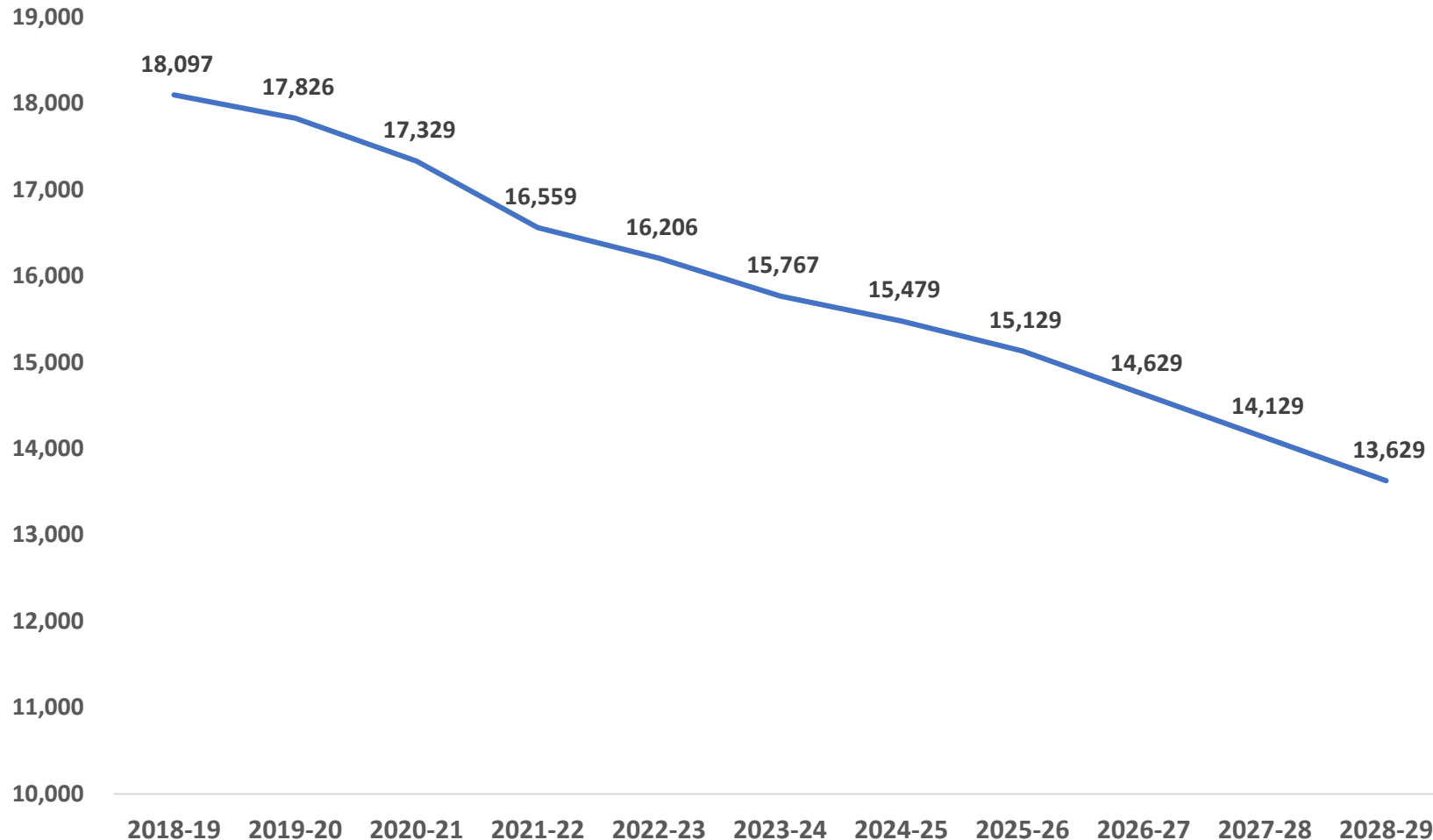


HLPUSD

Enrollment Outlook



HLPUSD Student Enrollment



- Enrollment decline in FY25 by 1.83% ; TK fully implemented in FY26
- Long term trend of declining enrollment is projected to continue
- Attendance rates declining; 1% decline in attendance results in \$0.9 million in revenue

HLPUSD Fiscal Outlook

Multiyear Projections (MYP) – Unrestricted General Fund \$ in Millions



	2024-25	2025-26	2026-27
Beginning Fund Balance	\$75.36	\$46.22	\$28.72
Revenues	\$229.99	\$226.25	\$227.50
Expenditures (including Transfers and Contributions)	\$259.13	\$243.75	\$258.86
Expenditure Adjustments Needed			\$(12.55)
Ending Fund Balance	\$46.22	\$28.72	\$9.90
Minimum Reserve	\$11.57	\$10.03	\$9.85

MYP Factors

- Classroom teachers staffing in out-years aligned to enrollment
- Future changes in compensation not factored in MYP
- Governor’s January proposed budget not factored in MYP
- Potential reductions in Federal funding not factored in MYP
- Unsettled AB218 Claims not factored in MYP

- ❖ LCFF COLA of less than ~4.50% does not cover the regular cost increases
- ❖ District is moving to Structural Deficit spending in 2025-26
- ❖ Significant Expenditure Adjustment needed in 2026-27 to maintain the Minimum Reserve (3%) requirement



Next Steps / Milestones

- *January 10, 2025: Governor's Budget proposal released by mid month*
- *March 13, 2025: District Second Interim report presented*
- *May 15, 2025: Governor's "May Revise" released (updates to the January Budget proposal)*
- *June 12, 2025: BOE Meeting, Public hearing / first reading of the 2025-26 District Budget*
- *June 15, 2025: Legislature must pass a balanced budget*
- *June 24, 2025: BOE Meeting, action on the 2025-26 District Budget*
- *June 30, 2025: Deadline for the Governor to sign the State Budget*

THANK YOU

Discussion

