Town Hall: Fiscal Stabilization

November 5, 2025

PASADENA
Unified School District



En español

www.pusd.us/townhall

Questions/Preguntas:

pusd.us/townhall

Today's Agenda

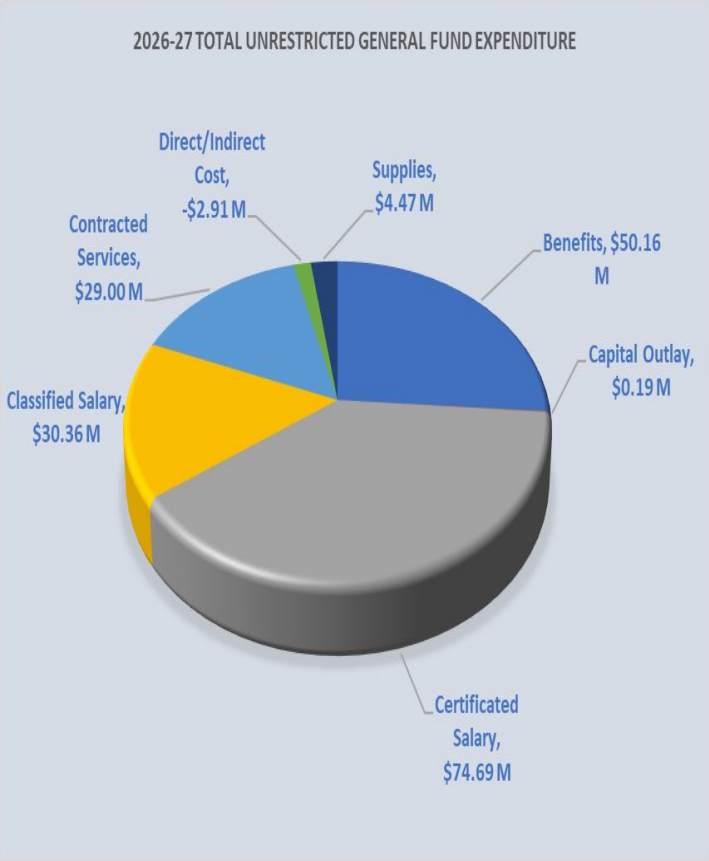
- PUSD Fiscal Stabilization
- Questions
- Next steps

More information: pusd.us/budget

Budget Outlook

- PUSD's enrollment continues to decline each year
- One-time COVID relief funds have been fully expended
- After years of surpluses during the pandemic, PUSD had a General Fund Unrestricted operating deficit in 2023-24, and is projected to have operating deficits in the future
- PUSD's Unduplicated Pupil Percentage (UPP) is almost 4% points lower in 2024-25, which has a significant negative impact on LCFF revenue
- Rising costs of unfunded mandates and corresponding contributions
- Due to PUSD's fiscal outlook, LACOE is currently requiring the submission of Fiscal Stabilization Plans as part the 2025-26 budget

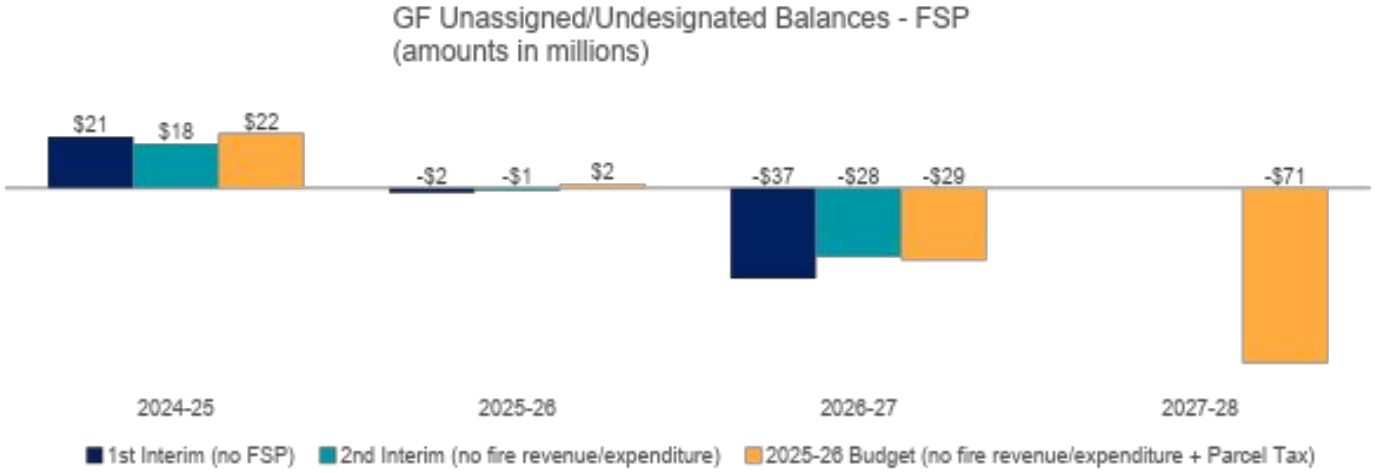
2026-27 Total Unrestricted General Fund Expenditures



Multi Year Projection (MYP)

Below MYP:

- First Interim - balances without the First Interim FSP reductions (incl. Parcel Tax)
- Second Interim - balances without fire related expenditures and insurance revenue (incl. Parcel Tax)
- 2025-26 Budget - balances without fire related expenditures and insurance revenue (incl. Parcel Tax)
- The balances below are after meeting the minimum required reserves



Reductions Thus Far

2024-25

- Internal process utilized by Superintendent's Leadership Team (SLT) to identify reductions of central services
  - Services reduced included: District Office Administrators; Centralized Teachers on Special Assignment; Operational and Clerical positions; Some Aides; Vacancies, etc.

2025-26

- Superintendent's Budget Advisory Committee (SBAC) process utilized to identify reductions of central services (Dec. 2024 rankings)
  - Department packages included: Academic Systems, Academic Elementary & Secondary Services; Academic Vertical Services; Business Services; Communications/KLRN; Facilities, Maintenance & Operations; Human Resources; Innovative Technology Services; Special Education; Student Wellness & Support Services
- Use of annual staffing process to return schools closer to "ratio" identified in collective bargaining agreements.

2026-27

- Superintendent's Budget Advisory Committee reconvenes to identify reductions of school-based services
- Additional Workstreams to identify reductions in additional services

Economic Uncertainties

- Changes in PUSD's Local Control Funding Formula (LCFF) Unduplicated Pupil Percentage (UPP) count - Estimated Deficit as of October 29, 2025 is -$1,200,000
- One-time grant expiring -$2,300,000
- Unknown Liabilities (Increases in insurance premiums, retirement benefits, utilities, health and welfare benefits)
- Unexpected litigation
- State regulations for unfunded mandates
- Potential reduction in state or federal funding
- Unpredictable changes in enrollment (fire impacts)

Revenue Enhancement

- Student Support and Professional Development Block Grant approximately $4M
- Asset Management increases on lease and facility rentals

Questions:

pusd.us/townhall



Overview of (SBAC) Superintendent's Budget Advisory Committee Process

Budget Advisory Committee Process Features

Transparent

- Modify the budgeting process to clarify goals, identify alternatives, and align efforts to continuous improvement
- Make the budget understandable by parents, partners, and staff in terms of results and outcomes

Participatory

- Increase participation and shared decision-making in the budget process for improved quality and commitment

Linked to Results

- Allocate resources based on measured needs of students and use equity for equal success

Honoring Existing Structures

- Decisions involving funding priorities (Budget Advisory Committee) and implementation details (District Leadership Network/Roadmap Advisory Committee) are maintained while also engaging in collaborative work.

Implications for This Year's Committee Process: Workstreams for 26-27 Budget Reductions

Workstream	Estimated Target
Superintendent's Budget Advisory Committee	Approx. $18-20M **
Central Office Reductions*	Approx. $3-5M **
Contracts*	Approx. $3.5M or greater **
Grant Maximization*	Approx. $3M or greater **
Special Education	Maintain current contribution
Transportation	Maintain current contribution
Asset Management	Any revenue will offset reductions
Staffing / Vacancies	Approx. $0.5M or greater **

*Reductions from these workstreams will be based on 2024 Committee rankings and/or specialized guidance.

**Estimated targets, subject to change

SBAC Ranking Results

www.pusd.us/sbac

Meeting Information

— **2025 Meetings**

Fall 2025 Superintendent's Budget Advisory Committee Meetings

PUSD Education Center, 351 S. Hudson Ave., Pasadena

- October 29, 2025, 4:30-6:30 p.m. - Room 151 **Agenda** | **Presentation** | **SBAC Ranking**
- October 22, 2025, 4:30-6:30 p.m. - Room 151 **Agenda** | **Presentation**
- October 15, 2025, 4:30-6:30 p.m. - Room 151 **Agenda** | **Presentation**

	Avg. Rating	Increment (SAMPLE ONLY-SBAC Ranking- Fictional Scenario)	Impact Statement	Reduction	Cumulative Reductions
1	0.6	Tutoring Services Package A- online tutoring services for elementary schools	Less tutoring for Elem Students	$2,000,000	$2,000,000
2	0.6	Fine Arts/Music Package A	No Elem Music	$3,00,000	$5,000,000
3	0.6	Secondary Instruction Package A	No extracurriculars	$2,500,000	$7,500,000
4	0.7	Custodial/Maintenance Package A	A/B cleaning schedule	$2,000,000	$9,500,000
5	0.8	Fine Arts/Music Package B	No music festival	$3,000,000	$12,500,000
6	0.8	Elementary Instruction Package A	Teacher provides PE	$3,000,000	$15,500,000
7	1.0	Tutoring Services Package B	No MS tutoring	$1,000,000	$16,500,000
8	1.7	Tutoring Services Package C	Less HS tutoring	$3,000,000	$19,550,000
9	1.8	Secondary Instruction Package B	Less AP classes	$2,500,000	$22,000,000
10	2.0	Elementary Instruction Package B	Eliminate IB elem level	$3,000,000	$25,000,000
11	2.0	Custodial/Maintenance Package B	A/B/C cleaning	$2,000,000	$27,000,000
12	2.5	Custodial/Maintenance Package C	A/B/C/D cleaning	$1,000,000	$28,000,000
13	2.8	Secondary Instruction Package C	No AP classes	$1,500,000	$29,500,000
14	2.9	Elementary Instruction Package C	No arts	$500,000	$30,000,000
15	3.0	Tutoring Services Package D	No tutoring	$1,000,000	$31,000,000
16	3.1	Custodial/Maintenance Package D	Compliance only	$500,000	$31,500,000
17	3.1	Fine Arts/Music Package D	No MS orchestra	$300,000	$31,800,000

SAMPLE

Workstream Progress Report

26-27 Budget Reductions, Target $30-35M

Workstream	Estimated Target	Work in Progress
Superintendent's BAC	Approx. $18-20M **	$20,000,000
Central Office Reductions*	Approx. $3-5M **	$4,976,076
Contracts*	Approx. $3.5M or greater **	$1,200,000
Grant Maximization*	Approx. $3M or greater **	$3,900,000
Special Education	Maintain current contribution (offset typical cost increases) $5M/year	-$2,300,000
Transportation	Maintain current contribution (offset typical annual cost increases)$3M/year	-$3,200,000
Asset Management	Projected increase of current leases and civic center fees at 5%	$500,000
Staffing / Vacancies	Approx. $0.5M or greater **	$3,000,000
Economic Uncertainties	Estimated loss on Unduplicated Pupil Count	-$3,500,000
Revenue (Block Grant)	Student Support and Professional Development Block Grant	**$1,333,333**
subject to change **Total	**$30,500,000**	**$25,909.409**

Work Streams Progress to Date

- Progress to date on all work streams indicates that the District needs to identify an additional $5-10 million in reductions prior to November 13 Board Study Session in order to meet the $30-35 million target reduction

- The Grant Maximization, Contracts, and Special Education Work Streams are continuing to examine efficiencies that may results in these additional savings

- If savings are not realized the District's recommendation may include moving the line on the SBAC ranking and increasing cuts at the Central Office

Increment (SAMPLE ONLY- Central Office -Fictional Scenario)	Impact Statement	Reduction	Cumulative Reductions
Reading Coordinator (8 FTE)	Less student support	$1,000,000	
Textbook Program Coordinator (3 FTE)	Increased workload	$400,000	
Event Planner (2 FTE)	No events	$600,000	
Chief Learning Advisor (5 FTE)	Less student support	$500,000	
Assistant Coordinator (2 FTE)	Dept will consolidate	$500,000	
		Subtotal	$3,000,000
Field Trip Coordinator (1 FTE)	Less field trips	$100,000	
Political Liaison (1 FTE)	Less advocacy	$100,000	
Director of Vision Alignment (1 FTE)	Less data available	$100,000	
Legislative Affairs Coordinator (2 FTE)	Loss of PUSD voice	$300,000	
Educational Supply Tracker (2 FTE)	Risk lost inventory	$200,000	
		Subtotal	$3,800,000
Parent Coordinator (2 FTE)	Less engagement	$250,000	
Smarter Balance Director (1 FTE)	Less student data	$300,000	
Assessment Operations Technician (1 FTE)	Potential comp issues	$100,000	
Curriculum Review Analyst (2 FTE)	Less consistency	$200,000	
		Subtotal	$4,650,000

SAMPLE

Central Office Reductions - Tier 1

Progress to Date

Operations: *Business; Communications/KLRN; Facilities/M&O; Food Services; Human Resources; Innovative Technology*

- Certificated Personnel: $447,612 (2 FTE)
- Classified Personnel: $981,053 (7.5 FTE)

Academics: *Academics*; *Curriculum, Instruction & PD; Early Childhood Education; Enrollment & Engagement; Health; Language & Assessment; Special Education; Student Wellness & Support*

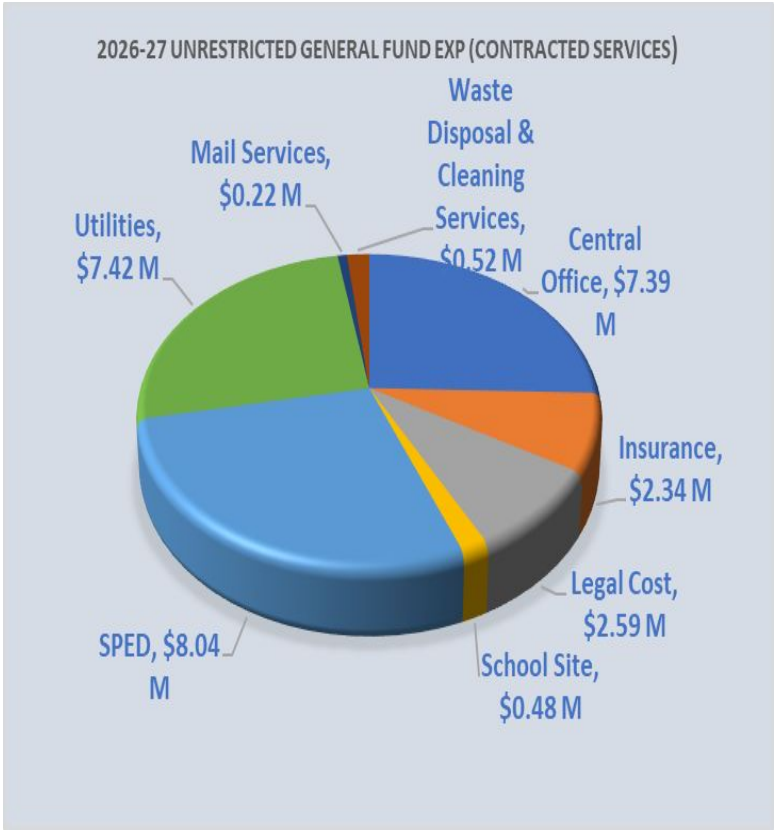
- Certificated Personnel: $2,803,503 (13 FTE)
- Classified Personnel: $743,908 (7.75 FTE)

Grand Total: $4,976,076

Additional Tier 2 and Tier 3 reductions will be presented to the Board of Education.

*FTE = Full Time Equivalent

2026-27 Total Unrestricted Contracted Services



(SAMPLE ONLY- Contracts - Fictional Scenario)

Increment	Impact Statement	Reduction	Cumulative Reductions
Contract Academics	No leadership training	$800,000	
Contract Lighting	Increased workload	$400,000	
Contract Computer Systems	No alert notifications	$800,000	
Contract Computer Testing	Paper testing only	$500,000	
Contract Costume Design	Teacher/Student-led design only	$500,000	
		Subtotal	$3,000,000
Contract Business/Payroll	Return to manual systems	$100,000	
Contract Business/Supply Tracking	Return to manual systems	$100,000	
Contract Music Programs	No drum classes	$100,000	
Contract Dance Programs	Limited access for students	$300,000	
Contract History	Limited interaction for students	$200,000	
		Subtotal	$3,800,000
Contract Science	Limited science opportunities	$250,000	
Contract PE	Teachers assume duties	$300,000	
Contract Math	Increased workload for teachers	$100,000	
Contract Technology	Limited access to apps	$500,000	
		Subtotal	$4,950,000

SAMPLE

Looking Ahead

- November 10 - Town Hall #2 - in person
- November 13 - Board Study Session
- November 20, 2025 - Regular Board Meeting
- December 2025 - Implementation begins; First Interim Report submitted to LACOE
- March 2026 - Reduction notices issued
- July 1, 2026 - New budget with $30-35 million in reductions takes effect

Questions:

pusd.us/townhall



Thank You!

Town Hall #2 is November 10, 2025, 6:30 p.m.

Pasadena High School Gymnasium

pusd.us/townhall

pusd.us/budget