

HACIENDA LA PUENTE UNIFIED SCHOOL DISTRICT



# Fiscal Stabilization Plan

NOVEMBER 6, 2025





# HACIENDA-LA PUENTE UNIFIED SCHOOL DISTRICT FISCAL STABILIZATION PLAN

## GENERAL SUMMARY

As part of the approval of the District's 2025-26 Adopted Budget, the Los Angeles County Office of Education (LACOE) required the submission of a Fiscal Stabilization Plan identifying revenue enhancements and/or expenditure reductions to address the projected \$3.70 million unallocated expenditure in 2027-28. HLPUSD's 2025-26 through 2027-28 Fiscal Stabilization Plan reflects a combination of more accurate student enrollment numbers, a new revenue stream, and staff alignment. These key elements are necessary measures to safeguard the long-term financial stability of the Hacienda La Puente Unified School District while ensuring the District continues to deliver high-quality educational experiences for all students.

## IMPLEMENTATION AND MONITORING

The District continuously monitors both revenues and expenditures to promptly identify discrepancies and implement corrective measures as needed. Through ongoing collaboration and feedback from district departments and the Los Angeles County Office of Education, we are able to uncover additional opportunities for cost savings. The district remains steadfast in its commitment to fiscal responsibility and will make necessary adjustments to ensure long-term financial stability including the recommendation of a Board approved reserve for economic uncertainties with a floor of 6% and a goal of 10% to be part of the Fiscal Stabilization Plan.

## MULTI-YEAR BUDGET PROJECTIONS CHANGES

The revenue enhancements and/or expenditure changes include:

- Adjusting declining student enrollment prediction from 500 per year to a more accurate 350 per year based on current year data
- Revenue adjustment in 2025-26 for the Student Support and PD Discretionary Grant
- Salary savings from vacancies/ unfilled positions
- Adjusting the 2025-26 Adopted Budget \$10.8 million projected unallocated expenditure
- Staff alignment achieved through natural attrition, the return of a number of TOSAs to the classroom, and a potential early retirement incentive
- Reduction/ adjustment in contracts
- Reduction in maintenance and utilities costs for the four closed school sites
- Reduction in contributions from the general fund to fund 67 as the District has met and exceeded the actuarial requirements for fund 67
- Reduction in deferred maintenance fund as large contributions were made in the past and fund balance is stable
- Reduction in Certificate of Participation transfers as one loan was paid off and future transfer payments can be reduced and will explore opportunities to refinance current district debt

## HLPUSD Fiscal Stabilization Plan

#	HLPUSD Financials - MYP	Object	2025-26		2026-27		2027-28	
			Unrestricted	Restricted	Unrestricted	Restricted	Unrestricted	Restricted
1	Beginning Fund Balance		\$ 68.15	\$ 107.73	\$ 51.17	\$ 70.09	\$ 30.75	\$ 59.79
2	Revenue		\$ 226.52	\$ 73.56	\$ 226.45	\$ 73.55	\$ 226.10	\$ 74.47
3	Expenditures (Including Transfers)		\$ 243.50	\$ 111.20	\$ 246.87	\$ 83.85	\$ 239.86	\$ 80.23
4	Ending Fund Balance (as-is)		\$ 51.17	\$ 70.09	\$ 30.75	\$ 59.79	\$ 16.99	\$ 54.03
5	Ending Fund Balance %		14.43%		9.30%		5.31%	
6	COLA		2.30%		3.02%		3.42%	
7	Actual/ Projected Enrollment		15,130		14,630		14,130	
8	<b>HLPUSD FSP</b>							
9	LCFF Revenue Adjustment (enrollment 500 reduction per year to 350 per year)	8011			\$ 2.00		\$ 2.00	
10	Revenue Adjustment (2025-26 Student Support and PD Discretionary Grant)	8590	\$ 4.50					
11	Salary Savings from Vacancies	1000	\$ (0.54)		\$ (0.54)		\$ (0.54)	
		2000	\$ (0.90)		\$ (0.90)		\$ (0.90)	
		3000	\$ (0.56)		\$ (0.56)		\$ (0.56)	
12	Adjusting the Projected Unallocated Expenditure (B.10) in 2025-26 Adopted Budget MYP						\$ 10.80	
13	Potential Retirement Incentive (Supplemental Employee Retirement Plan) PARS	1000			\$ (1.45)		\$ (1.45)	
		3000			\$ (0.45)		\$ (0.45)	
14	Certificated Retirement (average 10 FTE per year)	1000					\$ (1.15)	
		3000					\$ (0.35)	
15	16 Cert FTE (TOSA, Counselors) + Contracts that will be absorbed by General Fund	1000			\$ 1.90			
		3000			\$ 0.60			
		5800			\$ 0.60			
16	Reductions/ Adjustments in Contracts (Instruction, Hotspots etc., transfer to restricted expenditures)	5800			\$ (0.50)		\$ (0.50)	
17	Reduction in Maintenance and Utilities of 4 closed school sites/ optimizing in other sites	5500/5600			\$ (0.20)		\$ (0.20)	
18	Reduction in Retirement Benefit rate (67.4) from 1% to 0%	37xx	\$ (0.60)		\$ (1.20)		\$ (1.20)	
19	Reduction in Workers Comp rate (67.3) from 1% to 0%	36xx	\$ (0.60)		\$ (1.20)		\$ (1.20)	
20	Reduction in Deferred Maintenance catch up contribution	8980			\$ (1.00)		\$ (2.00)	
21	Reduction of COP transfers	7619			\$ (1.80)		\$ (1.80)	
22	Total Expenditure Adjustments (Reductions / Additions)		\$ (3.20)	\$ -	\$ (6.70)	\$ -	\$ (1.50)	\$ -
23								
24	Adjusted Ending Fund Balance		\$ 58.87	\$ 70.09	\$ 47.15	\$ 59.79	\$ 36.89	\$ 54.03
25	Adjusted Ending Fund Balance %		16.75%		14.55%		11.58%	
26	Committed Fund Balance	9760	\$ 25.75		\$ 7.50		\$ -	
27	Reserved for Cash Flow	9780	\$ 7.05		\$ 6.50		\$ 6.50	
28	Reserved for Economic Uncertainties	9789	\$ 26.07		\$ 33.15		\$ 30.39	
29	Reserved for Economic Uncertainties %		7.42%		10.23%		9.54%	

## GENERAL SUMMARY

- As part of the approval of the District's 2025-26 Adopted Budget, LACOE required the submission of a Fiscal Stabilization Plan.
- Identifying revenue enhancements and/or expenditure reductions to address the projected \$3.70 million unallocated expenditure in 2027-28.
- The Fiscal Stabilization Plan reflects a combination of more accurate student enrollment numbers, a new revenue stream, and staff alignment.



## IMPLEMENTATION AND MONITORING

- The District continuously monitors both revenues and expenditures to promptly identify discrepancies and implement corrective measures as needed.
- Through ongoing collaboration and feedback from district departments and Los Angeles County Office of Education, we are able to uncover additional opportunities for cost savings.
- The District will make necessary adjustments to ensure long-term financial stability including the recommendation of a Board approved reserve for economic uncertainties with a floor of 6% and a goal of 10% to be part of the Fiscal Stabilization Plan.



## MULTI-YEAR BUDGET PROJECTIONS CHANGES (2025-26 – 2027-28)

- Adjusting declining student enrollment prediction from 500/year to 350/year based on current year data
- ✓ \$4 million revenue adjustment over the last 2 years
- Revenue adjustment in 2025-26 for the Student Support and PD Discretionary Grant
- ✓ \$4.5 million revenue adjustment in 1<sup>st</sup> year
- Salary savings from vacancies/ unfilled positions
- ✓ \$6 million savings over 3 years



## MULTI-YEAR BUDGET PROJECTIONS CHANGES (2025-26 – 2027-28)

- Adjusting the 2027-28 projected unallocated expenditure in the 2025-26 Adopted Budget
  - ✓ \$10.8 million
- Staff alignment achieved through natural attrition
  - ✓ \$1.5 million savings in 2027-28
- The return of a number of TOSAs to the classroom and balance absorbed by the General Fund
  - ✓ \$3.1 million cost in 2026-27
- Potential early retirement incentive
  - ✓ \$3.8 million savings over the last 2 years



## MULTI-YEAR BUDGET PROJECTIONS CHANGES (2025-26 – 2027-28)

- Reduction/ adjustment in contracts
  - ✓ \$1 million savings over the last 2 years
- Reduction in maintenance & utilities costs of 4 closed school sites
  - ✓ \$400,000 savings over the last 2 years
- Reduction in contributions from the general fund to fund 67
  - ✓ \$6 million savings over 3 years
- Reduction in deferred maintenance fund
  - ✓ \$3 million savings over the last 2 years
- Reduction in Certificate of Participation transfers
  - ✓ \$3.6 million savings over the last 2 years



# HACIENDA-LA PUENTE UNIFIED SCHOOL DISTRICT FISCAL STABILIZATION PLAN

<b>HLPUSD Financials - MYP</b>	<b>Object</b>	<b>2025-26 Unrestricted</b>	<b>2025-26 Restricted</b>	<b>2026-27 Unrestricted</b>	<b>2026-27 Restricted</b>	<b>2027-28 Unrestricted</b>	<b>2027-28 Restricted</b>
Adjusted Ending Fund Balance		\$ 58.87	\$ 70.09	\$ 47.15	\$ 59.79	\$ 36.89	\$ 54.03
Adjusted Ending Fund Balance %		16.75%		14.55%		11.58%	
Committed Fund Balance	9760	\$ 25.75		\$ 7.50		\$ -	
Reserved for Cash Flow	9780	\$ 7.05		\$ 6.50		\$ 6.50	
Reserved for Economic Uncertainties	9789	\$ 26.07		\$ 33.15		\$ 30.39	
Reserved for Economic Uncertainties %		7.42%		10.23%		9.54%	

These key elements are necessary measures to safeguard the long-term financial stability of the Hacienda La Puente Unified School District while ensuring the District continues to deliver high-quality educational experiences for all students.

# Thank you

