



HACIENDA LA PUENTE UNIFIED SCHOOL DISTRICT

# 2025-26 FIRST INTERIM FINANCIAL REPORT

Report to the Board of Education

December 11, 2025



# PURPOSE OF FIRST INTERIM

1st Official Revision to District's 2025 - 26 Adopted Budget

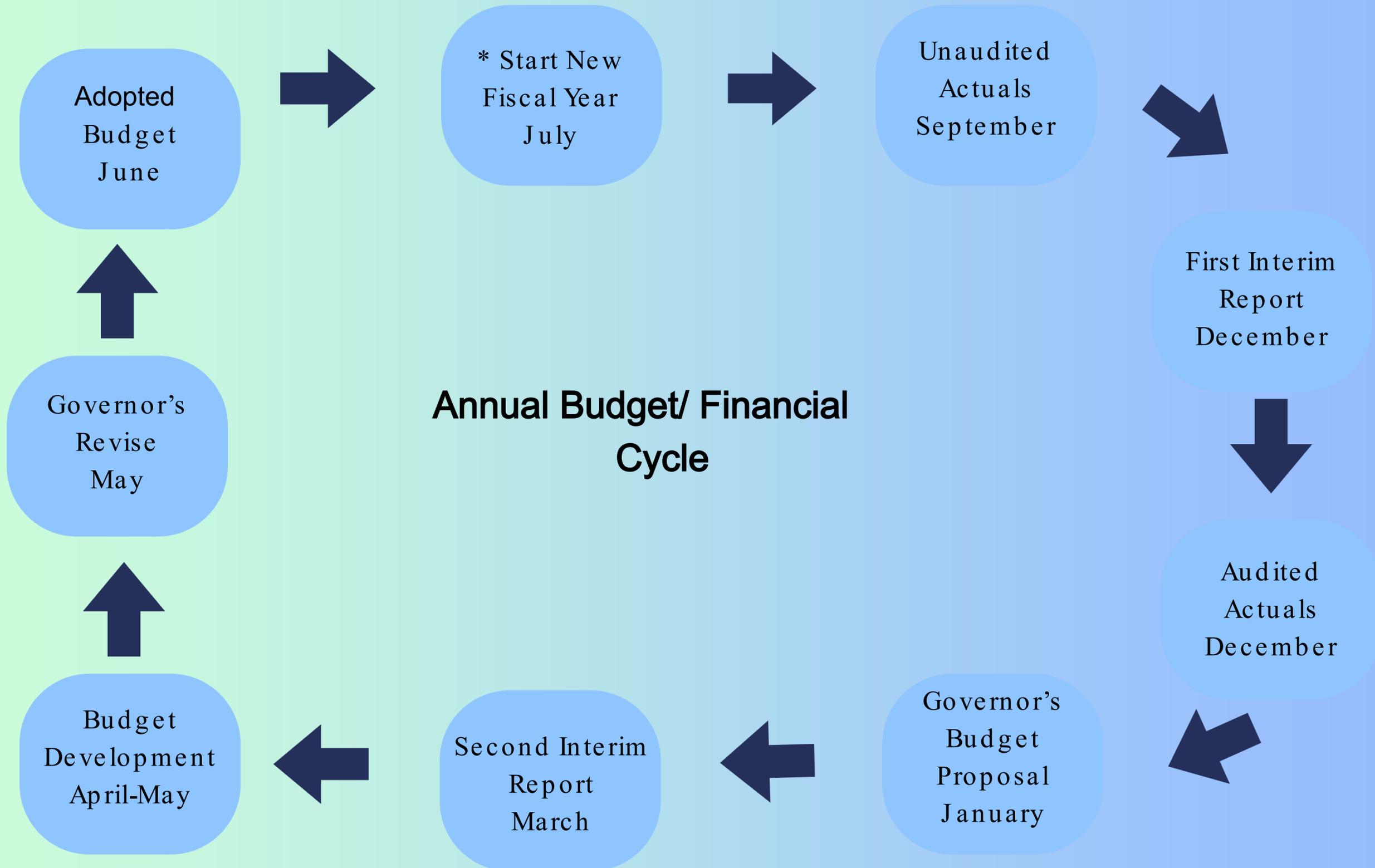
First Interim Period is July 1, 2025 through October 31, 2025

Includes revised projections for the remainder of the year

Districts are required to certify twice a year

Positive Certification: Able to meet financial obligations in each of the next three years







# MULTIYEAR ASSUMPTIONS

	2025-26 Adopted Budget	2025-26 First Interim	2026-27 Projected	2027-28 Projected
District Enrollment	15,132	15,151	14,801	14,451
Average Daily Attendance (ADA) %	92.50%	92.50%	92.50%	92.50%
Funded Average Daily Attendance (ADA)	14,751	14,751	14,440	14,059
Cost of Living Adjustment (COLA)	2.30%	2.30%	3.02%	3.42%
Unduplicated Pupil %	76.97%	77.17%	75.89%	75.15%
State Teachers' Retirement (STRS)	19.10%	19.10%	19.10%	19.10%
Public Employees' Retirement (PERS)	26.81%	26.81%	26.90%	27.80%



# PROJECTED REVENUES

Unrestricted (U)/ Restricted (R)	Adopted Budget	First Interim Budget	Adopted vs First Interim Variance	Changes to Revenue
LCFF	\$219.07M	\$220.25M	\$1.18M	Increase in Enrollment & TK Add On (U)
Federal Revenue	\$13.40M	\$13.51M	\$0.11M	Carryover (R)
State Revenue	\$62.34M	\$67.95M	\$5.61M	Student Support and PD Discretionary Grant (R)
Local Revenue	\$5.28M	\$10.04M	\$4.76M	Excess of STRS Refund (U) E-Rate Revenue (R)
<b>Total</b>	<b>\$300.08M</b>	<b>\$311.75M</b>	<b>\$11.67M</b>	



# PROJECTED EXPENDITURES

Unrestricted (U)/ Restricted (R)	Adopted Budget	First Interim Budget	Adopted vs First Interim Variance	Changes to Expenditures
Certificated Salaries	\$130.34M	\$132.13M	\$1.79M	Adjustment to MTSS TOSA Salaries (R)
Classified Salaries	\$49.85M	\$47.67M	(\$2.18M)	Savings due to vacancies (U)
Employee Benefits	\$77.85M	\$73.86M	(\$3.98M)	H&W adjusted, change to Workers Comp & Retirement Benefits Rate (U)
Books and Supplies	\$21.35M	\$25.21M	\$3.86M	ASES, Student Support Grant, Community Schools, & VAPA (R)
Services & Other Operating	\$58.50M	\$60.30M	\$1.80M	Attorney Fees (U); Increased Routine Maintenance Repair Costs, Contracts paid by Grants, & Donation Carryover (R)
Capital Outlay	\$14.64M	\$33.73M	\$19.09M	EV Buses (U); Infrastructure Upgrade (R)
Transfers Out/ Other Outgo	\$1.30M	\$1.30M	0	
Indirect Costs	(\$3.12M)	(\$2.71M)	\$0.41M	ASES Indirect Costs increased (R)
<b>Total</b>	<b>\$350.71M</b>	<b>\$371.50M</b>	<b>\$20.79M</b>	

# ENROLLMENT OUTLOOK

Long term trend of declining enrollment is projected to continue

Good news is decline is not as steep as initially projected (350 students vs 500 students)

TK is fully implemented

Attendance rates declining; 1% decline in attendance results in a \$0.9M decrease in revenue





# MULTIYEAR PROJECTIONS (MYP)\*

Unrestricted General Fund	2025-26 Adopted Budget	2025-26 First Interim	2026-27 Projected Budget	2027-28 Projected Budget
Beginning Fund Balance	\$68.14M	\$68.14M	\$51.83M	\$42.82M
Revenues	\$226.52M	\$228.23M	\$229.29M	\$230.80M
Expenditures (including transfers and contributions)	(\$243.50M)	(\$244.53M)	(\$238.30M)	(\$238.58M)
Net Increase (Decrease) in Fund Balance	(\$16.98M)	(\$16.31M)	(\$9.01M)	(\$7.79M)
Ending Fund Balance	\$51.16M	\$51.83M	\$42.82M	\$35.03M
Reserve for Economic Uncertainties	\$18.36M	\$28.16M	\$28.27M	\$27.98M

\*The Fiscal Stabilization Plan savings are included in the Multi-Year Projections (MYP).

# COMPONENTS OF THE ENDING FUND BALANCE

General Fund (01)	Combined
Committed Funds	\$16.62M
Cash Flow & Vacation Liability	\$7.05M
Reserve for Economic Uncertainties	\$28.16M
<b>Unrestricted Ending Fund Balance</b>	<b>\$51.83M</b>
Restricted Ending Fund Balance	\$60.29M
<b>Total Ending Fund Balance</b>	<b>\$112.12M</b>





# OTHER FUNDS SUMMARY

Fund (#)	Beginning Fund Balance	Revenues +/-	Expenditures +/-	Ending Fund Balance
Adult Education Fund (11)	\$52.66M	\$38.05M	\$42.77M	\$47.95M
Child Development Fund (12)	\$8.84M	\$15.87M	\$15.89M	\$8.81M
Food Services Fund (13)	\$18.82M	\$17.29M	\$19.52M	\$16.58M
Def Maintenance Fund (14)	\$3.58M	\$5.06M	\$6.10M	\$2.54M
Building Fund (21)	\$83.21M	\$1.62M	\$56.50M	\$28.33M
Special Reserve Fund (40)	\$57.13M	\$1.12M	\$20.27M	\$37.98M
Debt Services Fund (56)	\$25.48M	\$4.73M	\$4.97M	\$25.24M
Self Insurance Fund (67)	\$49.73M	\$30.65M	\$33.95M	\$46.44M

# FUTURE OUTLOOKS/ NEXT STEPS

Reduction in Projected COLA (Cost of Living Adjustment)

Expiration of one - time Federal and State COVID funds

Potential Reductions to Federal Funding

Significant increase in Special Education costs

AB218 claims (significant financial impact that cannot be calculated)

Fiscal Stabilization Plan implementation (staff alignment to student enrollment)

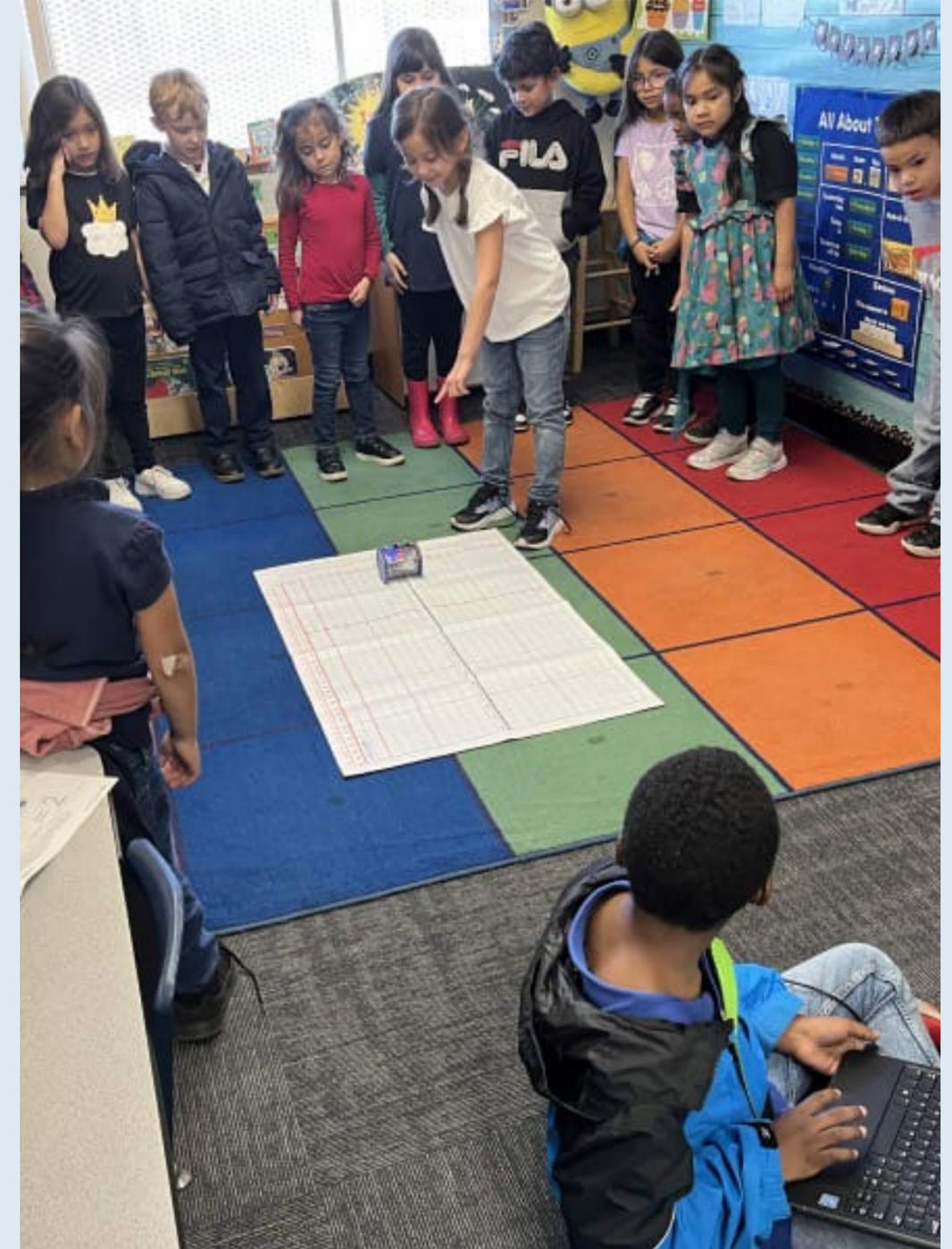
Looking Ahead:

January 2026: Governor's Budget proposal

March 2026: Second Interim Report

May 2026: Governor's "May Revise" released

June 2026: District submits 2026 - 27 Budget for BOE approval





# THANK YOU

