

HACIENDA LA PUENTE UNIFIED SCHOOL DISTRICT



Fiscal Stabilization Plan Update

MAY 7, 2026



HLPUSD Fiscal Stabilization Plan Summary

- The Fiscal Stabilization Plan (FSP) was required by LACOE as part of the approval of the District's 2025-26 Adopted Budget
- Adjust the 2025-26 Adopted Budget \$10.8 million projected unallocated expenditure
- Board approved on November 6, 2025
- Included revenue enhancements, expenditure reductions, and staff alignment
- LACOE is requesting an update on the FSP
- Majority of Budget Assumptions in the FSP are now reflected in the Second Interim Financial Report and Multi Year Projections





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 Unrestricted	2025-26 Restricted	2026-27 Unrestricted	2026-27 Restricted	2027-28 Unrestricted	2027-28 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	HLPUSD FSP							
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%	

HLPUSD FISCAL STABILIZATION PLAN UPDATE

#	HLPUSD Financials - MYP	2025-26 Adopted Budget Unrestricted	2025-26 Second Interim Unrestricted	MYP 2026-27 Adopted Budget Unrestricted	MYP 2026-27 Second Interim Unrestricted	MYP 2027-28 Adopted Budget Unrestricted	MYP 2027-28 Second Interim Unrestricted
1	Beginning Fund Balance	\$68,150,000*	\$68,150,000	\$51,170,000	\$47,720,000	\$30,750,000	\$34,150,000
2	Revenues	\$226,520,000	\$228,310,000	\$226,450,000	\$228,770,000	\$226,100,000	\$230,310,000
3	Expenditures (Including Transfers)	\$243,500,000	\$248,740,000	\$246,870,000	\$242,340,000	\$239,860,000	\$242,300,000
4	Ending Fund Balance (as-is)	\$51,170,000	\$47,720,000	\$30,750,000	\$34,150,000	\$16,990,000	\$22,160,000
5	Ending Fund Balance %	14.43%	12.56%	9.30%	10.43%	5.31%	6.84%
6	COLA	2.30%	2.30%	3.02%	2.41%	3.42%	3.06%
7	Actual/ Projected Enrollment	15,130	15,148	14,630	14,798	14,130	14,448
8	HLPUSD FSP						

Gray columns reflect Adopted Budget (June 2025)
 Blue columns reflect the Second Interim (March 2026)

*2025-26 Beginning Fund Balance includes the 2024-25 Unaudited Actuals increase of \$7,338,851

HLPUSD Fiscal Stabilization Plan Update

Included in the FSP and reflected in the Second Interim MYP

✓ 2026-28	Enrollment adjustment (from 500 to 350 reduction/yr)	\$4,000,000 revenue
✓ 2025-26	Student Support & PD Discretionary Grant	\$4,500,000 revenue
✓ 2025-28	Estimated Salary Savings from Vacancies	\$6,000,000 savings
✓ 2026-28	Early Retirement Incentive	\$3,800,000 savings
✓ 2027-28	Certificated Retirement/ Attrition	\$1,500,000 savings
✓ 2026-27	16 Cert FTE + Contracts absorbed by the General Fund	(\$3,000,000 cost)
✓ 2026-27	Contracts (instruction, hotspots, etc.)	\$500,000 savings
✓ 2026-27	Reduction in Maintenance and Utilities & Deferred Maintenance	\$1,200,000 savings
✓ 2025-27	Reduction in Retirement Benefits Rate & Workers Comp 1% to 0%	\$3,600,000 savings
✓ 2026-28	Reduction of Certificate of Participation Transfers	\$3,600,000 savings
✓ 2027-28	Adjusting the Projected Unallocated Expenditure	(\$10,800,000 cost)

HLPUSD Fiscal Stabilization Plan Update

Hacienda La Puente Unified Los Angeles County		Budget, July 1 General Fund Multiyear Projections Unrestricted				19 73445 0000000 Form MYP G8B9XJ61HU(2025-26)	
Description	Object Codes	2025-26 Budget (Form 01) (A)	% Change (Cols. C-A/A) (B)	2026-27 Projection (C)	% Change (Cols. E-C/C) (D)	2027-28 Projection (E)	
10. Other Adjustments (Explain in Section F below)						(10,801,500.00)	

HLPUSD Fiscal Stabilization Plan								
#	HLPUSD Financials - MYP	Object	2025-26 Unrestricted	2025-26 Restricted	2026-27 Unrestricted	2026-27 Restricted	2027-28 Unrestricted	2027-28 Restricted
12	Adjusting the Projected Unallocated Expenditure (B.10) in 2025-26 Adopted Budget MYP						\$ 10.80	

Hacienda La Puente Unified Los Angeles County		2025-26 Second Interim General Fund Multiyear Projections Unrestricted				19 73445 0000000 Form MYP I G82GHENXU7(2025-26)	
Description	Object Codes	Projected Year Totals (Form 011) (A)	% Change (Cols. C-A/A) (B)	2026-27 Projection (C)	% Change (Cols. E-C/C) (D)	2027-28 Projection (E)	
10. Other Adjustments (Explain in Section F below)				0.00		0.00	

HACIENDA-LA PUENTE UNIFIED SCHOOL DISTRICT FISCAL STABILIZATION PLAN

#	HLPUSD Financials - MYP	Object	2025-26 FSP Unrestricted	2025-26 SI Unrestricted	2026-27 FSP MYP Unrestricted	2026-27 SI MYP Unrestricted	2027-28 FSP MYP Unrestricted	2027-28 SI MYP Unrestricted
24	Adjusted Ending Fund Balance		\$58,870,000*	\$47,720,774	\$47,150,000	\$34,147,031	\$36,890,000	\$22,164,455
25	Adjusted Ending Fund Balance %		16.75%	12.56%	14.55%	10.43%	11.58%	6.95%
26	Committed Fund Balance	9760	\$25,750,000	\$20,350,000	\$7,500,000	\$20,350,000.00	\$-	\$12,350,000
27	Reserved for Cash Flow	9780	\$7,050,000	\$7,000,000	\$6,500,000	\$3,925,390.00	\$6,500,000	\$-
28	Reserved for Economic Uncertainties	9789	\$26,070,000	\$20,320,774	\$33,150,000	\$9,821,641.00	\$30,390,000	\$9,764,455
29	Reserved for Economic Uncertainties %		7.42%	5.35%	10.23%	3.00%	9.54%	3.01%

*FSP created prior to First Interim. Does not reflect Infrastructure Upgrade, salary increases, and additional contributions to Special Education

HLPUSD Fiscal Stabilization Plan Update

Potential Savings included in FSP but **NOT** reflected in Second Interim 2027-28 MYP*

Contracts (instruction, hotspots, etc.)	\$500,000 savings
Reduction in Maintenance and Utilities	\$200,000 savings
Reduction in Retirement Benefits Rate 1% to 0%	\$1,200,000 savings
Reduction in Workers Comp Rate 1% to 0%	\$1,200,000 savings
Reduction in Deferred Maintenance	\$2,000,000 savings

*The District will first identify the sources of actual savings before committing to projecting the \$5,100,000 savings for 2027-28.



HLPUSD Fiscal Stabilization Update

Adjustments to be reflected in the 2026-27 Adopted Budget:

39 TK-12 Teachers participating in Early Retirement Incentive 24 Temps released 8 <u>Non-reelect Teachers</u> 75 TOTAL	Salaries & Benefits (LCFF, CTE & SPED) Savings \$10,381,926
Early Retirement Incentive Cost	Cost (\$919,767)
38 District TOSAs returning to the Classroom	Salaries & Benefits Cost (\$6,194,000)
23 Estimated positions to hire 14 Estimated positions eliminated	Salaries & Benefits Cost (\$2,714,000)
LCFF S&C Savings from shifting TOSAs to be single funded	Savings \$1,963,420
Estimated Savings above \$1,900,000 projected in FSP & Second Interim:	\$617,579*



Thank you

