



2021-22 First Interim Report



Business Services

12/8/2021

Overview of the Presentation

- **Education Code Section 35035, 42130 and 42131 requirements**
- **First Interim Report Assumptions**
- **Budget Highlights**
- **Multi-Year Projections**
- **Next Steps**



Education Code Requirements for First Interim Report



The First Interim Report deadline

The Governing Board must approve the report on or before December 15, 2021

The Report must be submitted to LACOE on or before December 15, 2021

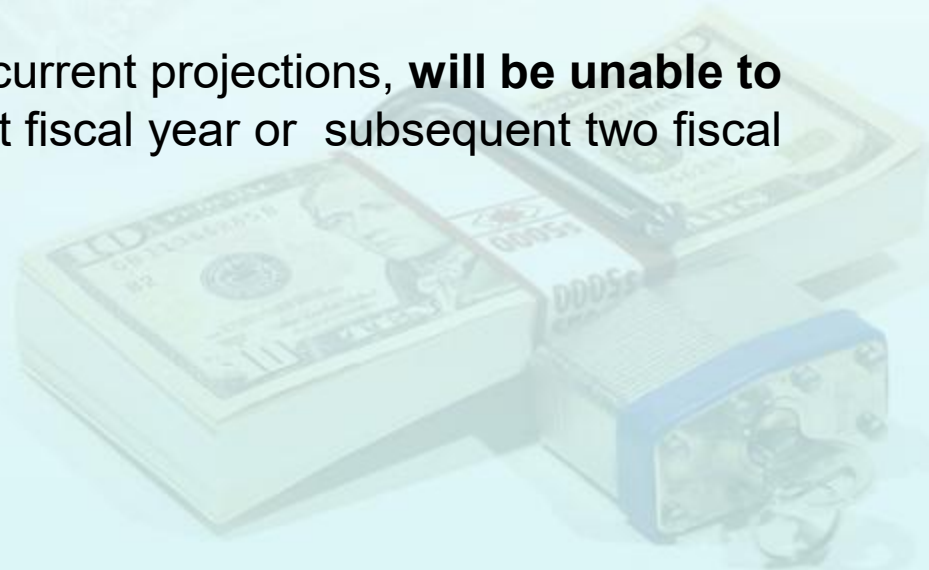
State Criteria and Standard Certification-Ed Code Requirements

EC Section 42130 requires school districts to review and certify their Interim Reports by the Governing Board as one of the followings:

Positive: A school district that, based on current projections, **will meet** its financial obligations for the current fiscal year and two subsequent fiscal years.

Qualified: A school district that, based on current projections, **may not meet** its financial obligations for the current fiscal year or subsequent two fiscal years.

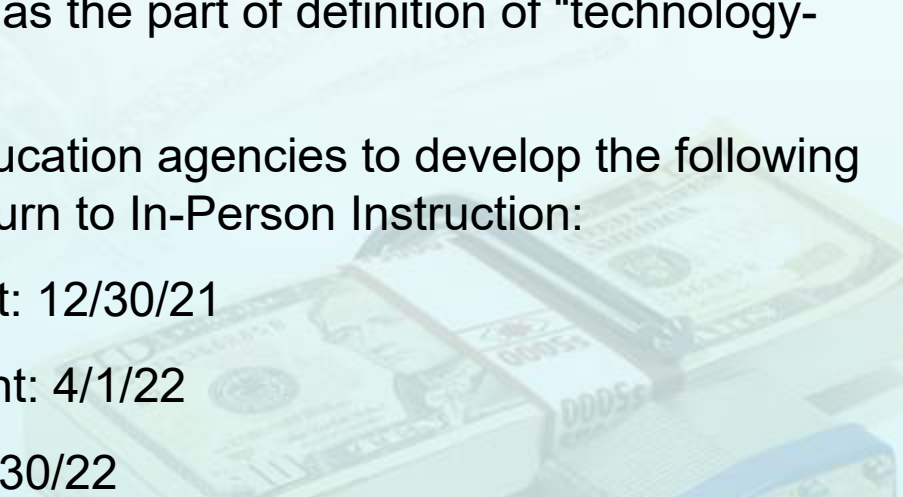
Negative: A school district that, based on current projections, **will be unable to meet** its financial obligations for the current fiscal year or subsequent two fiscal years.



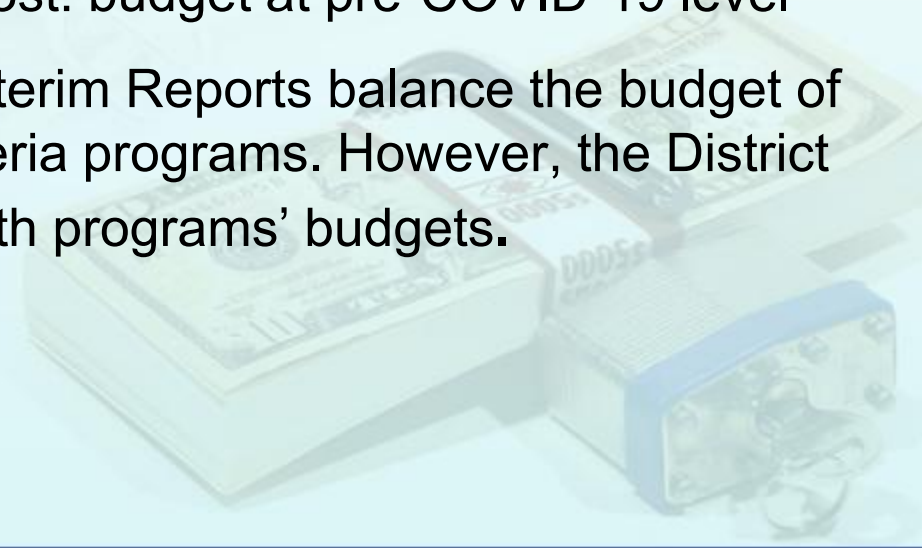
Budget Cycle



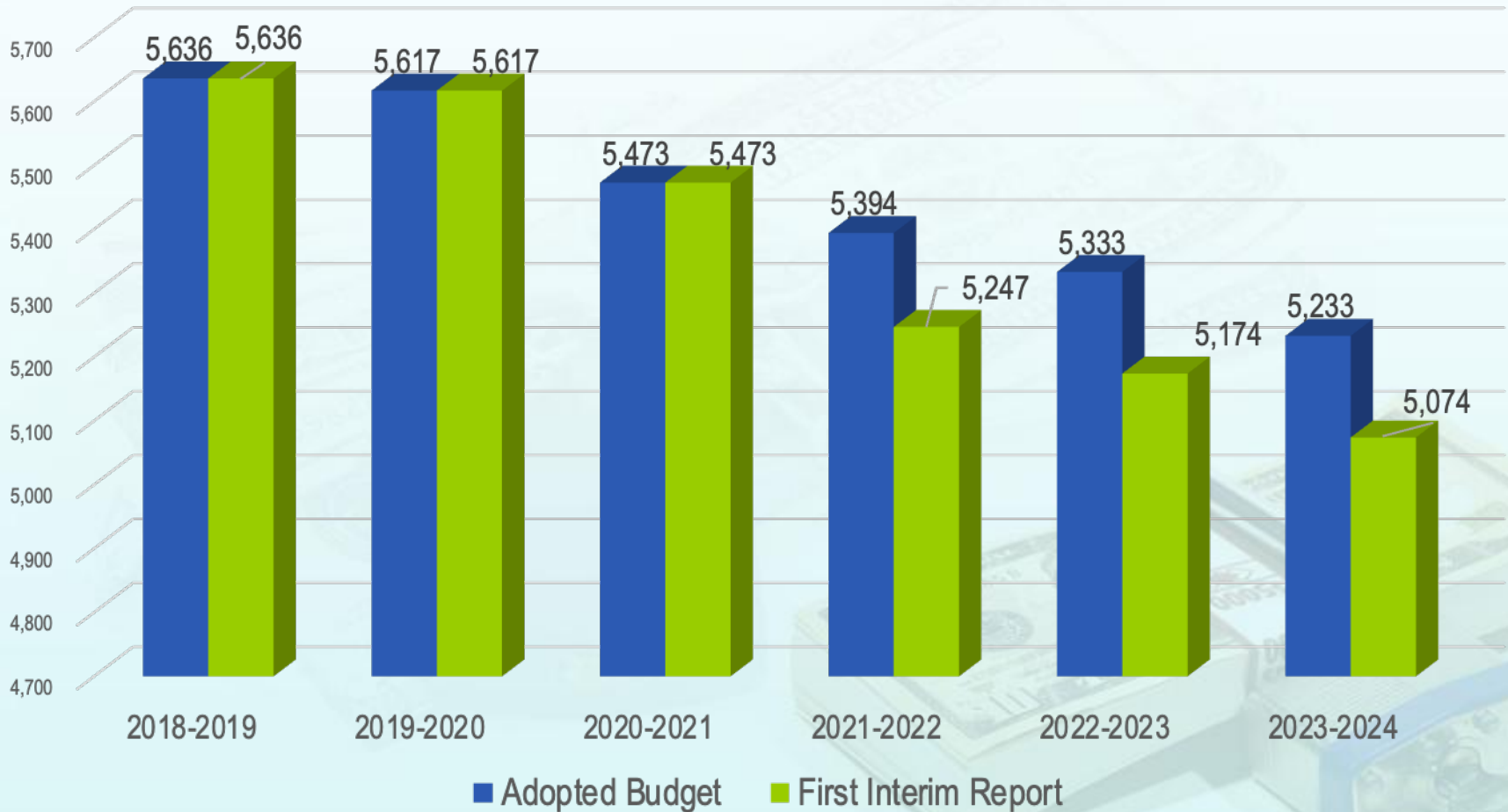
First Interim Report Assumptions

- Local Control Funding Formula (LCFF) COLA unchanged since adopted budget
 - Lottery funding per ADA has been increased: \$163 per ADA unrestricted and \$65 per ADA for restricted
 - SB 820 includes laptop computers and devices that provide internet access required for students and teachers as the part of definition of “technology-based instructional materials”
 - AB 130 and AB167 require the local education agencies to develop the following plans in addition to ESSER III Safe Return to In-Person Instruction:
 - Educator Effectiveness Block Grant: 12/30/21
 - A-G Completion Improvement Grant: 4/1/22
 - Prekindergarten Planning Grant: 6/30/22
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First Interim Report Assumptions- TCUSD Highlights

- Enrollment and Attendance
 - Revise enrollment projections according to Oct 6, 2021 census data data
 - Align attendance percentage with 21-22 attendance ratio
 - Personnel cost: increase budget projection due to additional support
 - Materials, supplies and operation cost: budget at pre-COVID-19 level
 - Unlike Adopted Budget, the First Interim Reports balance the budget of both Child Development and Cafeteria programs. However, the District shall continue to closely monitor both programs' budgets.
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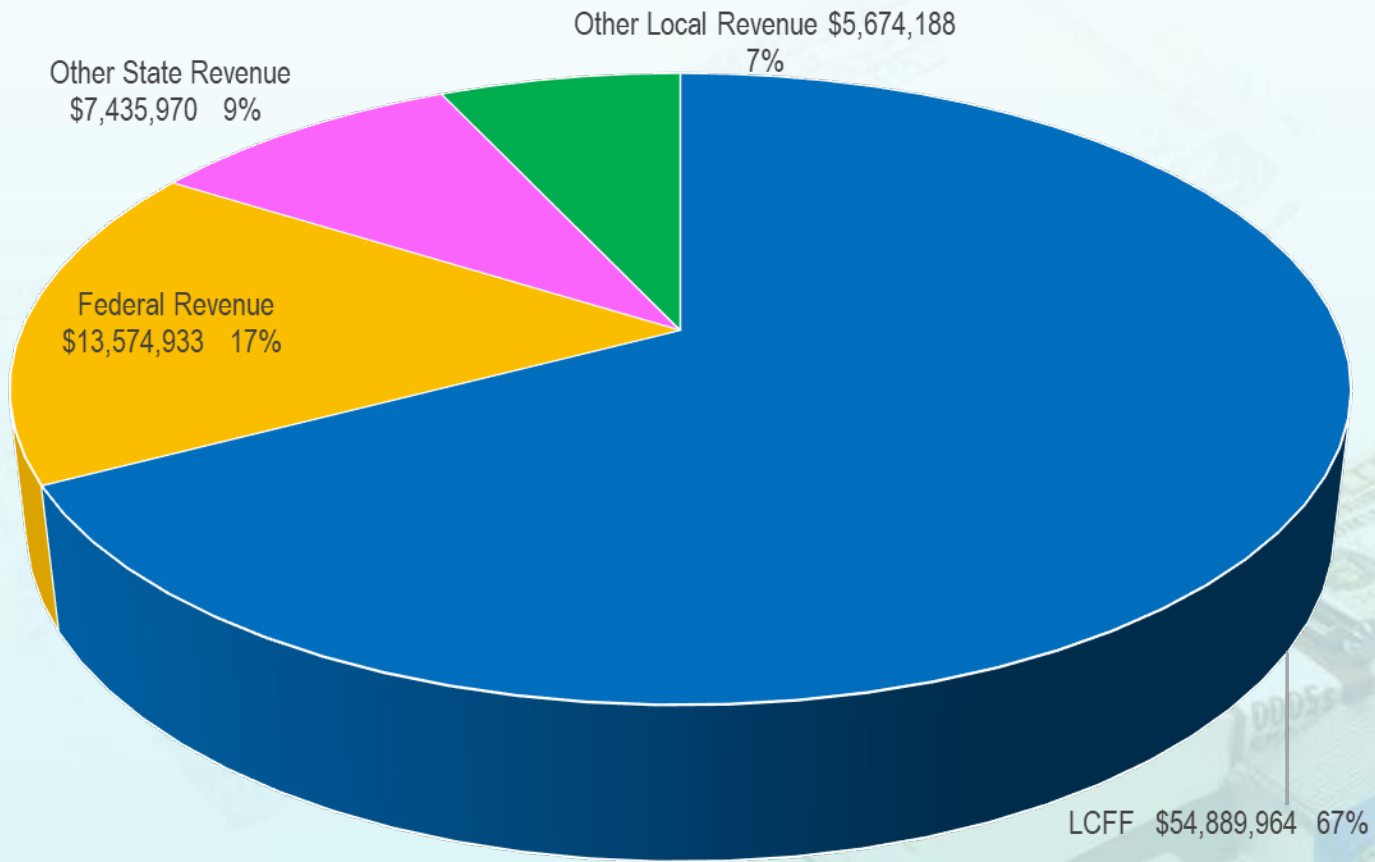
Enrollment Comparison: Adopted Budget vs First Interim



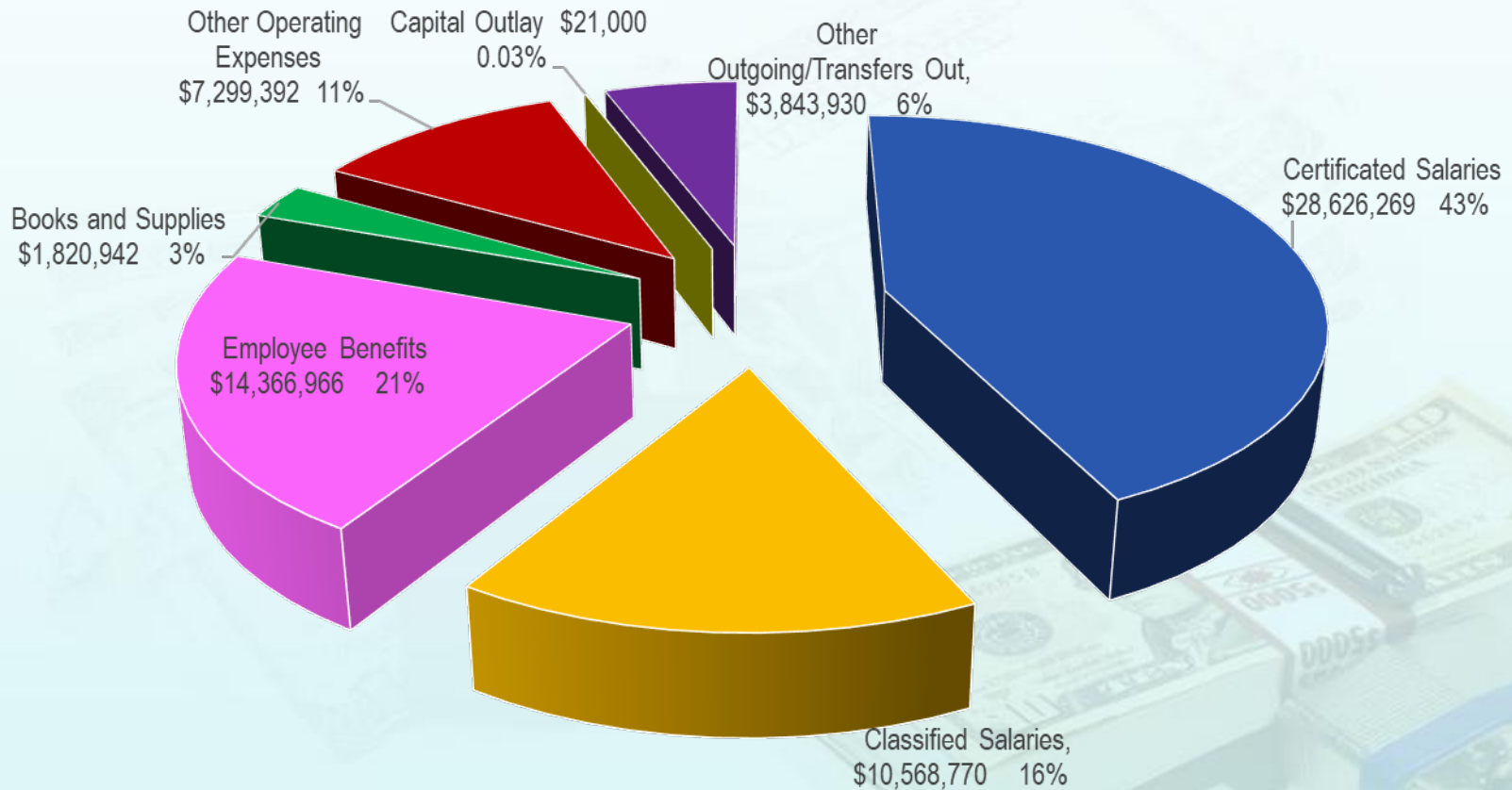
2021-22 First Interim Report Assumptions

	2021-22 Adopted Budget	2021-22 First Interim Report	2022-23 Projection	2023-24 Projection
Local Control Funding Formula (LCFF)				
COLA	5.07%	5.07%	2.48%	3.11%
California Lottery				
Unrestricted per ADA	\$150	\$163	\$163	\$163
Restricted per ADA	\$49	\$65	\$65	\$65
Mandated Block Grant				
Grade K-8 per ADA	\$32.79	\$32.79	\$33.60	\$34.64
Grade 9-12 per ADA	\$63.17	\$63.17	\$64.74	\$66.75
Employee Benefits				
CalSTRS Employer Rate	16.92%	16.92%	19.10%	19.10%
CalPERS Employer Rate	22.91%	22.91%	26.10%	27.10%
Unemployment Insurance Rate	0.05%	1.23%	0.20%	0.20%
Payroll				
Certificated Step and Column	2.0147%	2.0147%	2.0147%	2.0147%
Classified Step and Column	1.646%	1.646%	1.646%	1.646%
Enrollment and ADA				
Enrollment	5,394	5,247	5,174	5,074
Unduplicated Pupil Percentage (UPP)	48%	48%	48%	48%
ADA	5,246.76	5,027.38	4,932.06	4,842.21
Funded ADA	5,463.00	5,463.43	5,027.38	4,932.06

2021-22 First Interim Report Revenue Projections



2021-22 First Interim Report Expenditure Projections



Multi-Year Projections

	2021-2022 Adopted Budget	2021-2022 First Interim Report	2022-2023 Projection	2023-2024 Projection
Revenue	\$64,597,462	\$81,575,055	\$65,488,822	\$65,640,604
Expenditure	66,547,269	86,038,628	75,213,791	75,654,084
Net Change in Funds	(1,949,807)	(4,463,573)	(9,724,969)	(10,013,480)
Beginning Fund Balance	21,606,691	23,036,059	18,572,486	8,847,516
Ending Fund Balance	\$19,656,884	\$18,572,486	\$8,847,517	\$(1,165,964)
3% Reserve for Economic Uncertainty	1,996,418	2,581,159	2,256,414	Not Meet
2% Board Required Reserve	1,330,945	1,720,773	Not Meet	Not Meet

Other Funds

Fund	Beginning Fund Balance	Revenue And Transfer in	Expenditures	Net Change in Fund Balance	Ending Fund Balance
Student Activity (Fund 08)	\$487,793	\$300,200	\$350,000	\$(49,800)	\$437,993
Adult Education (Fund 11)	410,437	351,856	350,000	1,856	412,283
Child Development (Fund 12)	184,141	735,078	919,067	(183,989)	152
Cafeteria (Fund 13)	363,311	1,609,225	1,972,378	(363,153)	158
Deferred Maintenance (Fund14)	364,678	1,961,287	1,846,408	114,879	479,557
Postemployment Benefit(Fund 20)	2,351,164	258,240	-	258,240	2,609,404
Building -Measure S (Fund 21)	6,037,511	33,299	397,500	(364,201)	5,673,310
Capital Facilities (Fund 25)	2,080,975	182,706	1,500,000	(1,317,294)	763,681
County School Facilities (Fund 35)	28,552,666	128,703	-	128,703	28,681,369
Capital Outlay (Fund 40)	492	2	-	2	494
Bond Interest & Redemption (Fund 51)	\$4,492,862	\$6,011,991	\$5,809,919	\$202,072	\$4,694.934

Next Steps

LACOE

- ❖ Review TCUSD's First Interim Report
- ❖ Issue confirmation Letter for district's Qualified Certification
- ❖ Request Fiscal Stabilization Plan when the district files Second Interim Report

District

- Submit the First Interim Report to LACOE before or on 12/15
- Provide district wide budget and account string trainings
- Verify information of position control and staffing
- Review district budget practices and make improvement
- Work with independent auditor to complete 20-21 financial audit
- Governor's 22-23 preliminary budget release around Jan 10, 2022
- District Second Interim Report preparation

Questions or Comments



THANK YOU