



2022-23 Second Interim Report



Business Services

3/8/2023

Overview of the Presentation

- **Education Code Requirements**
- **Second Interim Report Assumptions**
- **Budget Highlights**
- **Multi-Year Projections**
- **Next Steps**



Education Code Requirements for Second Interim Report

15th
March
2023



**Los Angeles County
Office of Education**

The Second Interim
Report deadline

The Governing Board must
approve the report on or
before March 15, 2023

The Report must be
submitted to
LACOE on or
before March 17,
2023

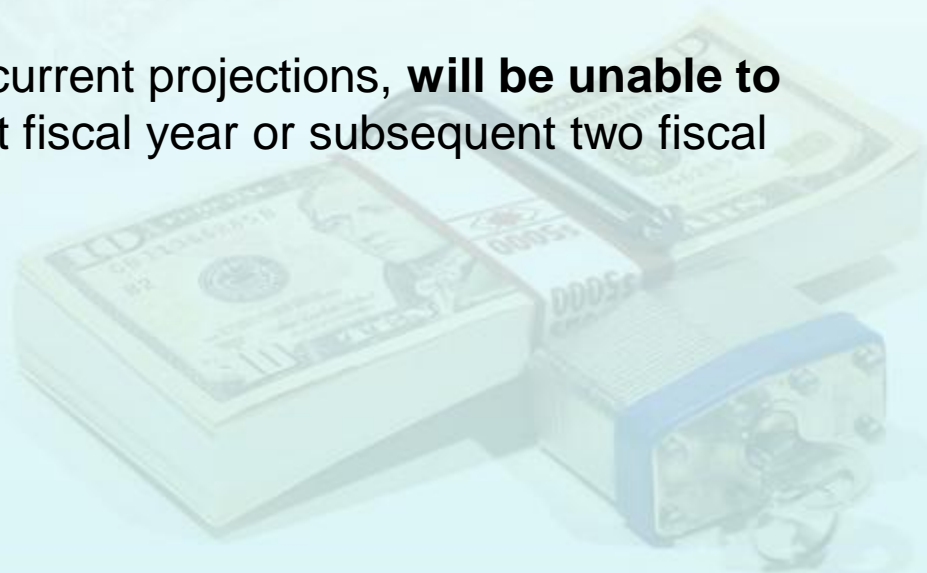
State Criteria and Standard Certification-Ed Code Requirements

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

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.



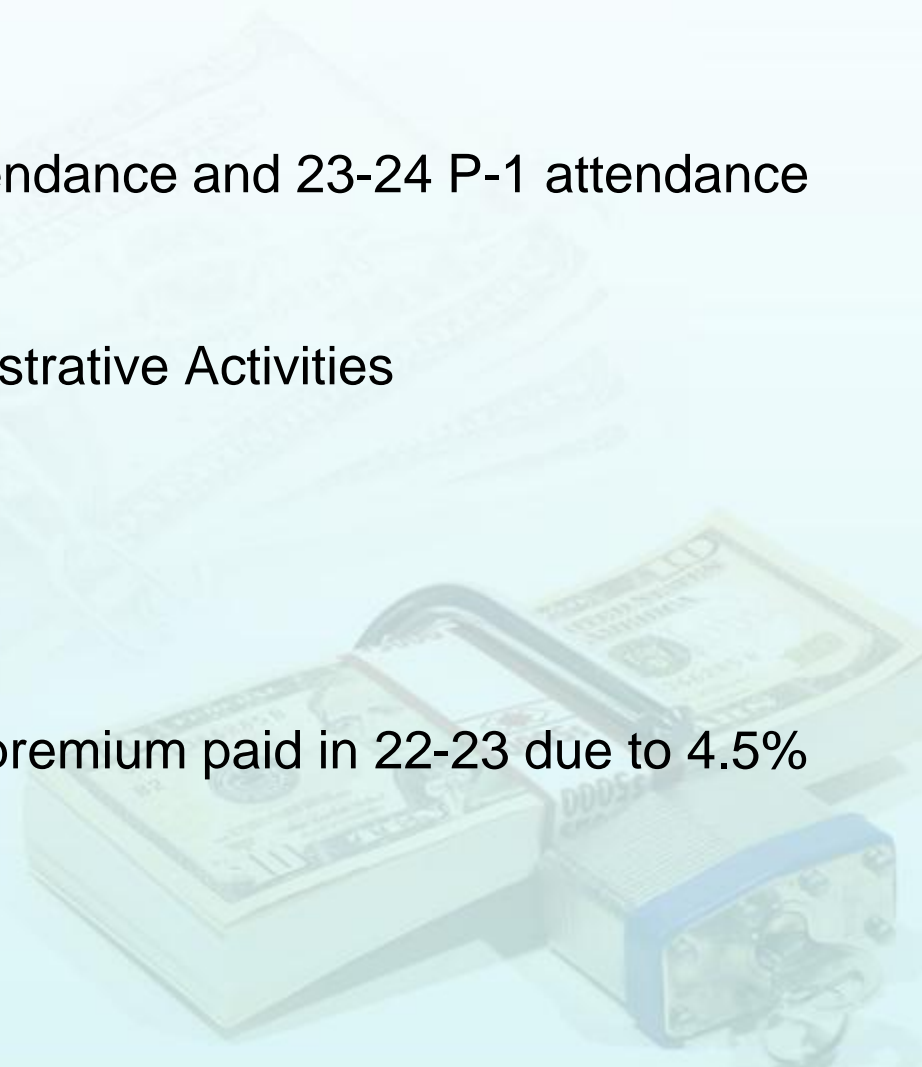
2022-23 Second Interim Report Assumptions

	2022-23 First Interim Report	2022-23 Second Interim Report	2023-24 Projection	2024-25 Projection
Local Control Funding Formula (LCFF)				
COLA	13.26%	13.26%	8.13%	3.54%
California Lottery				
Unrestricted per ADA	\$170	\$170	\$170	\$170
Restricted per ADA	\$67	\$67	\$67	\$67
Mandated Block Grant				
Grade K-8 per ADA	\$34.94	\$34.94	\$37.78	\$39.12
Grade 9-12 per ADA	\$67.31	\$67.31	\$72.78	\$75.36
Employee Benefits				
CalSTRS Employer Rate	19.10%	19.10%	19.10%	19.10%
CalPERS Employer Rate	25.37%	25.37%	27.00%	28.10%
Unemployment Insurance Rate	0.50%	0.50%	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	5,220	5,227	5,177	5,127
Unduplicated Pupil Percentage (UPP)	48%	48%	48%	48%
ADA	5,029	5,001	4,953	4,905
Funded ADA	5,328.89	5,349.24	5,196.29	5,027.39

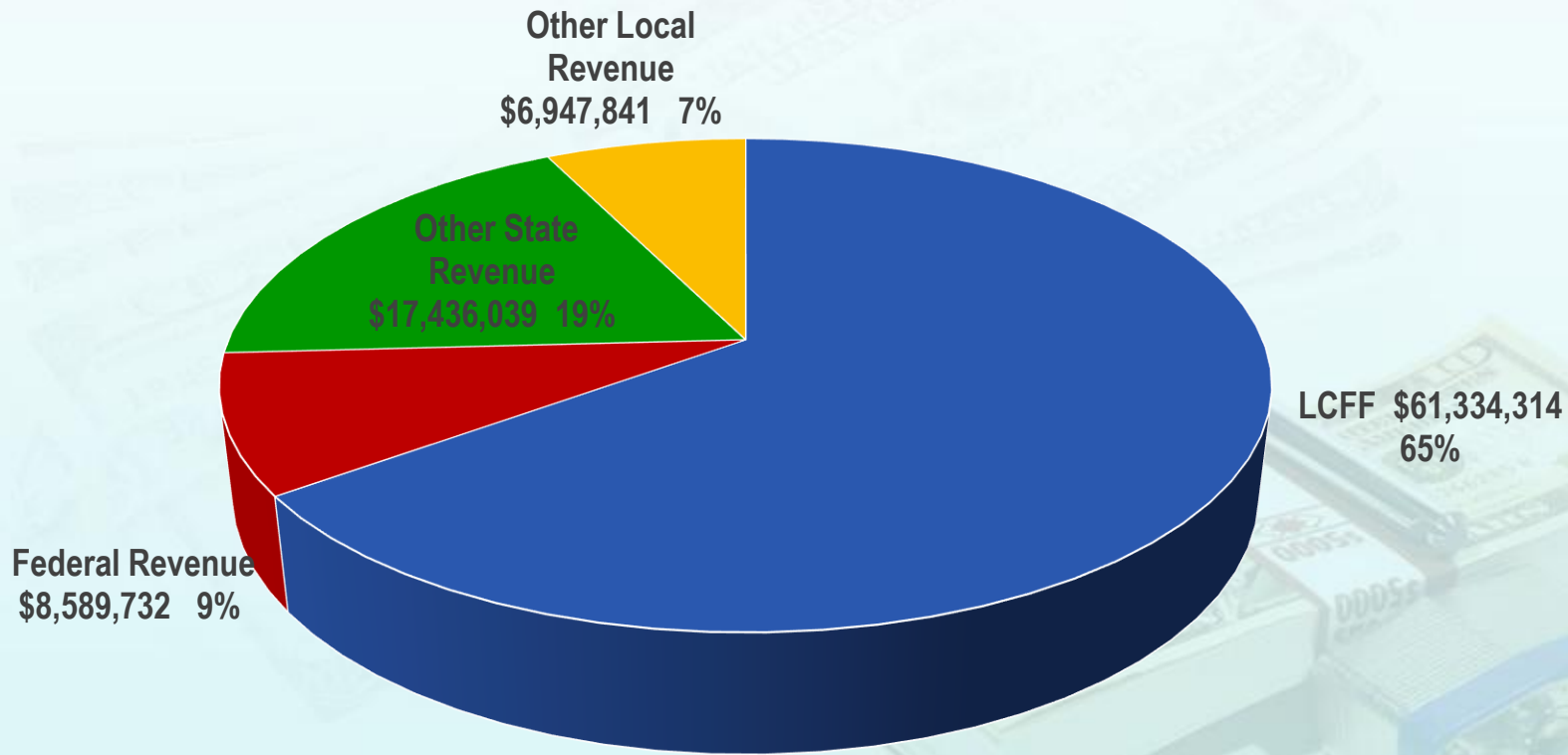
Second Interim Report Assumptions

- 23-24 Local Control Funding Formula (LCFF) funded COLA increase from 5.38% to 8.13%
- LCFF Funding Attendance: School districts will be funded on the greater of current year, prior year or the average of the most recent three prior years' ADA
- Reduction of 50% grant amount for Art, Music, and Instructional Materials Discretionary Block Grant
- Transportation: Grant will reimburse the district home-to-school transportation cost difference between 60% of prior year reported expenditures and transportation funded through LCFF add-on.
 - A transportation plan must be approved by the Board on or before 4/1/2023

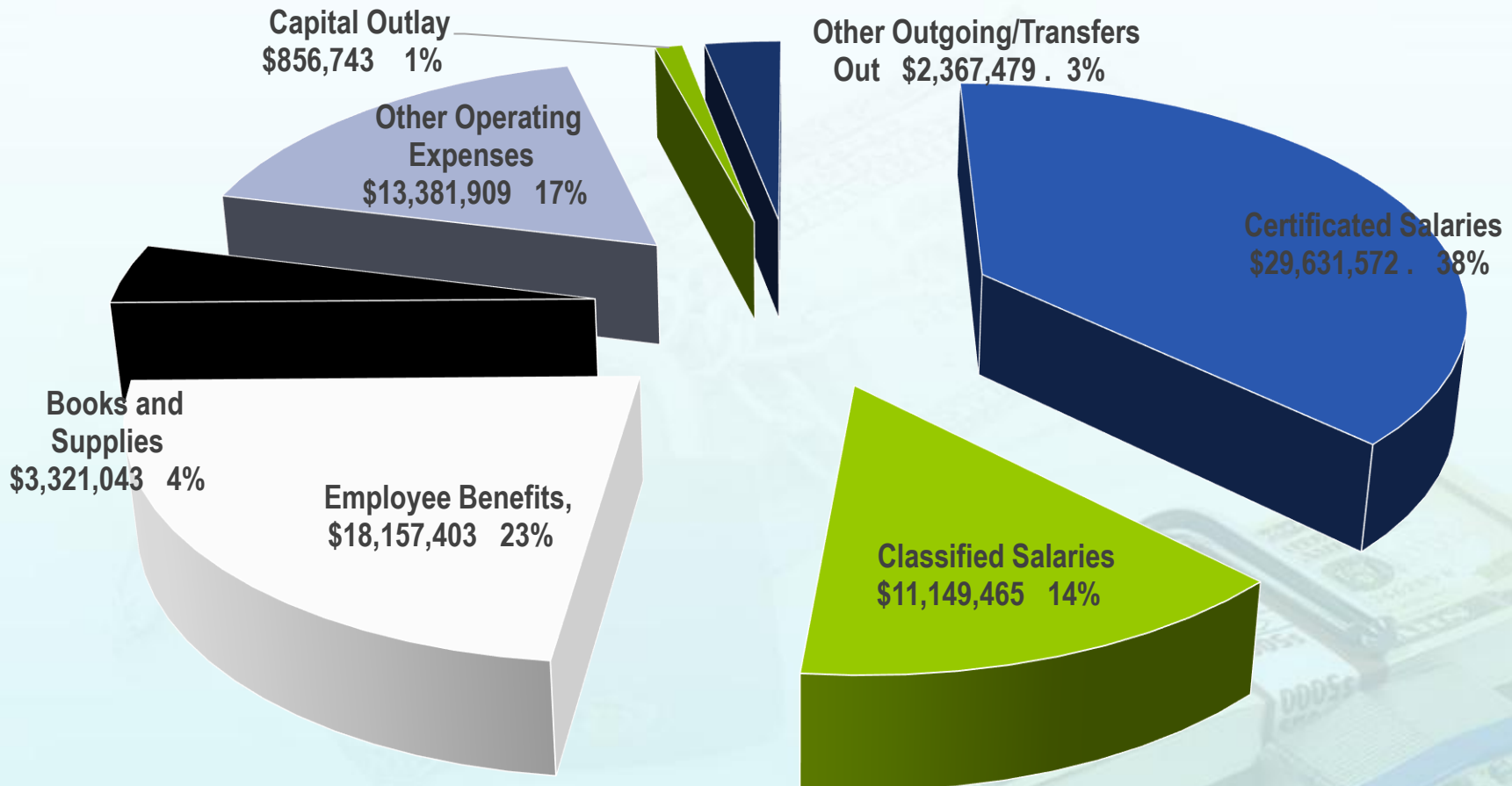
Second Interim Report Assumptions- TCUSD Highlights

- Enrollment and Attendance
 - CDE certified 21-22 annual attendance and 23-24 P-1 attendance
 - Additional Revenue:
 - School-Based Medi-Cal Administrative Activities
 - Interest Income
 - Personnel Costs: lower projection
 - Operation Cost Increase:
 - Additional 21-22 worker comp premium paid in 22-23 due to 4.5% salary settlement
 - Utility costs
- 

2022-23 Second Interim Report Revenue Projections



2022-23 Second Interim Report Expenditure Projections



Multi-Year Projections – Total General Fund

	2022-2023 Second Interim Report	2023-2024 Projection	2024-2025 Projection
Revenue	\$94,307,926	\$82,482,561	\$82,783,941
Expenditure	78,865,614	78,426,836	79,218,228
Net Change in Funds	15,442,312	4,055,725	3,565,713
Beginning Fund Balance	28,717,463	44,159,775	48,215,501
Ending Fund Balance	\$44,159,775	\$48,215,501	\$51,781,213
3% Reserve for Economic Uncertainty	2,365,970	2,352,806	2,376,547
2% Board Required Reserve	1,577,312	1,568,537	1,584,365

Other Funds

Fund	Beginning Fund Balance	Revenue And Transfer in	Expenditures	Net Change in Fund Balance	Ending Fund Balance
Student Activity (Fund 08)	\$488,133	\$330,300	\$350,312	\$(20,012)	\$468,121
Adult Education (Fund 11)	228,286	367,300	406,266	(38,966)	189,320
Child Development (Fund 12)	478,418	771,522	661,170	110,352	588,770
Cafeteria (Fund 13)	1,070,659	2,873,999	2,588,310	285,689	1,356,348
Deferred Maintenance (Fund14)	727,407	15,000	63,963	(48,963)	678,444
Postemployment Benefit(Fund 20)	2,520,258	310,000	-	310,000	2,830,258
Building -Measure S (Fund 21)	4,955,455	160,000	260,800	(100,800)	4,854,655
Capital Facilities (Fund 25)	2,517,559	630,000	559,208	70,792	2,588,351
County School Facilities (Fund 35)	59,401	1,200	-	1,200	60,601
Capital Outlay (Fund 40)	32,068,116	700,000	310,000	390,000	32,458,116
Other Enterprise Fund (Fund 63)	205,022	679,000	378,278	300,722	505,744

Next Steps

LACOE

- ❖ Review TCUSD's Second Interim Report
- ❖ Issue Confirmation Letter for District's positive certification including the impact of declining enrollment

District

- Submit the Second Interim Report to LACOE on or before 3/17
- Work with independent auditor to complete 21-22 financial audit
- Review and revise staff funding sources
- AB 1200
- Governor's May Revision
- LCAP and 23-24 budget development, public hearing and adoption in June 2023

Questions or Comments



THANK YOU