



SANTA ANA UNIFIED SCHOOL DISTRICT

Preparing All Students for Success in College and Career

2019-20 Second Interim Report



March 10, 2020

Agenda

- Approval of Second Interim**
- Our Vision, Mission and Budget**
- Budget Reporting Cycle**
- Our Financial Position**
- Comparability**
- Fiscal Outlook**

Second Interim Action

Education Code 42131 requires the Interim Report and Certification of Financial Condition approved by the Governing Board of the School District

Staff recommends “Positive Certification” which certifies that based upon the current projections Santa Ana Unified School District will meet its financial obligations for the current fiscal year and subsequent two fiscal years (*with out-year adjustments*)



Vision

We will work collaboratively and comprehensively with staff, parents, and the community to strengthen a learning environment focused on raising the achievement of all students and preparing them for success in college and career.

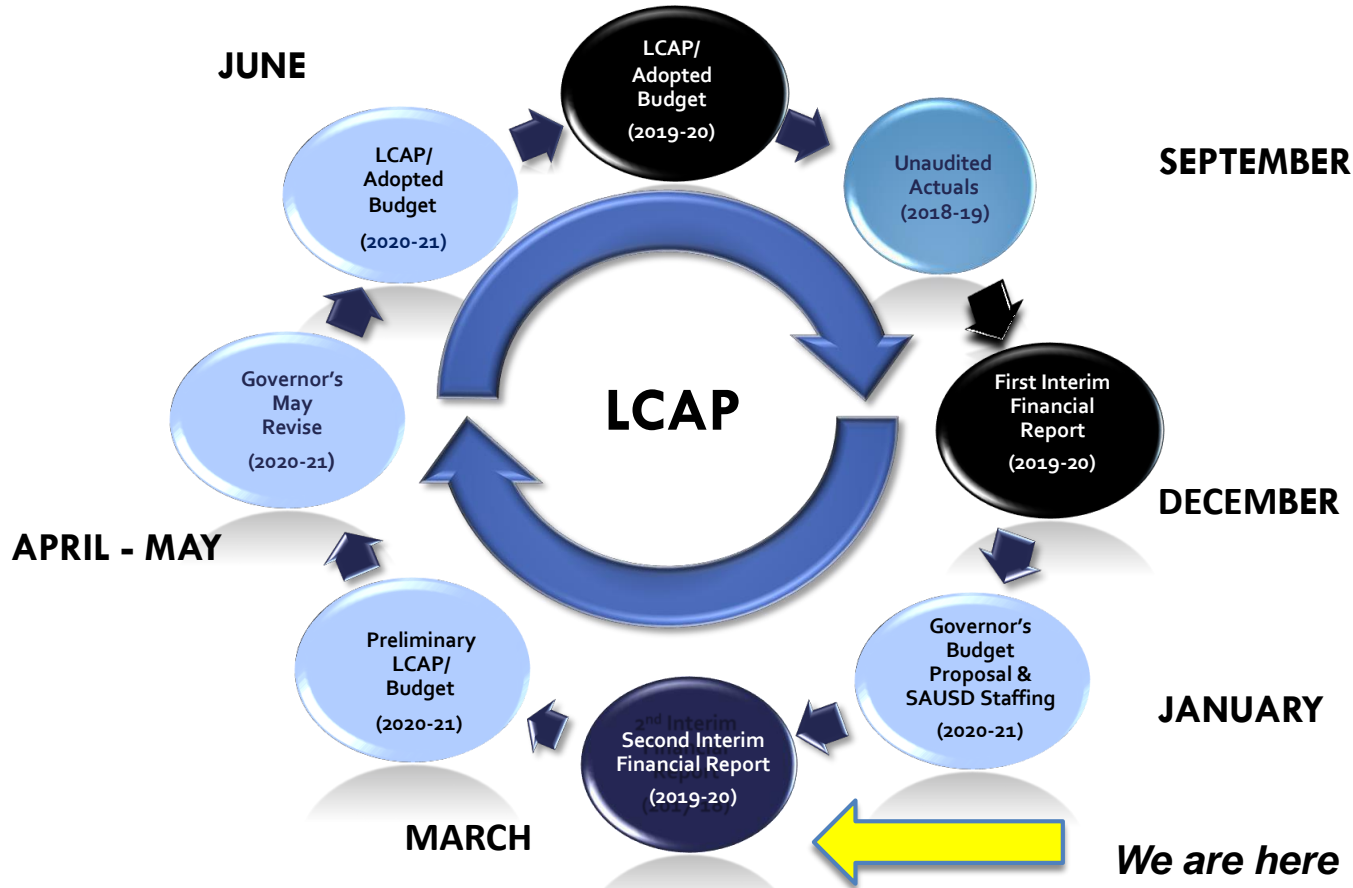
Mission

We assure well-rounded learning experiences, which prepare our students for success in college and career. We engage, inspire, and challenge all of our students to become productive citizens, ethical leaders, and positive contributors to our community, country and a global society.



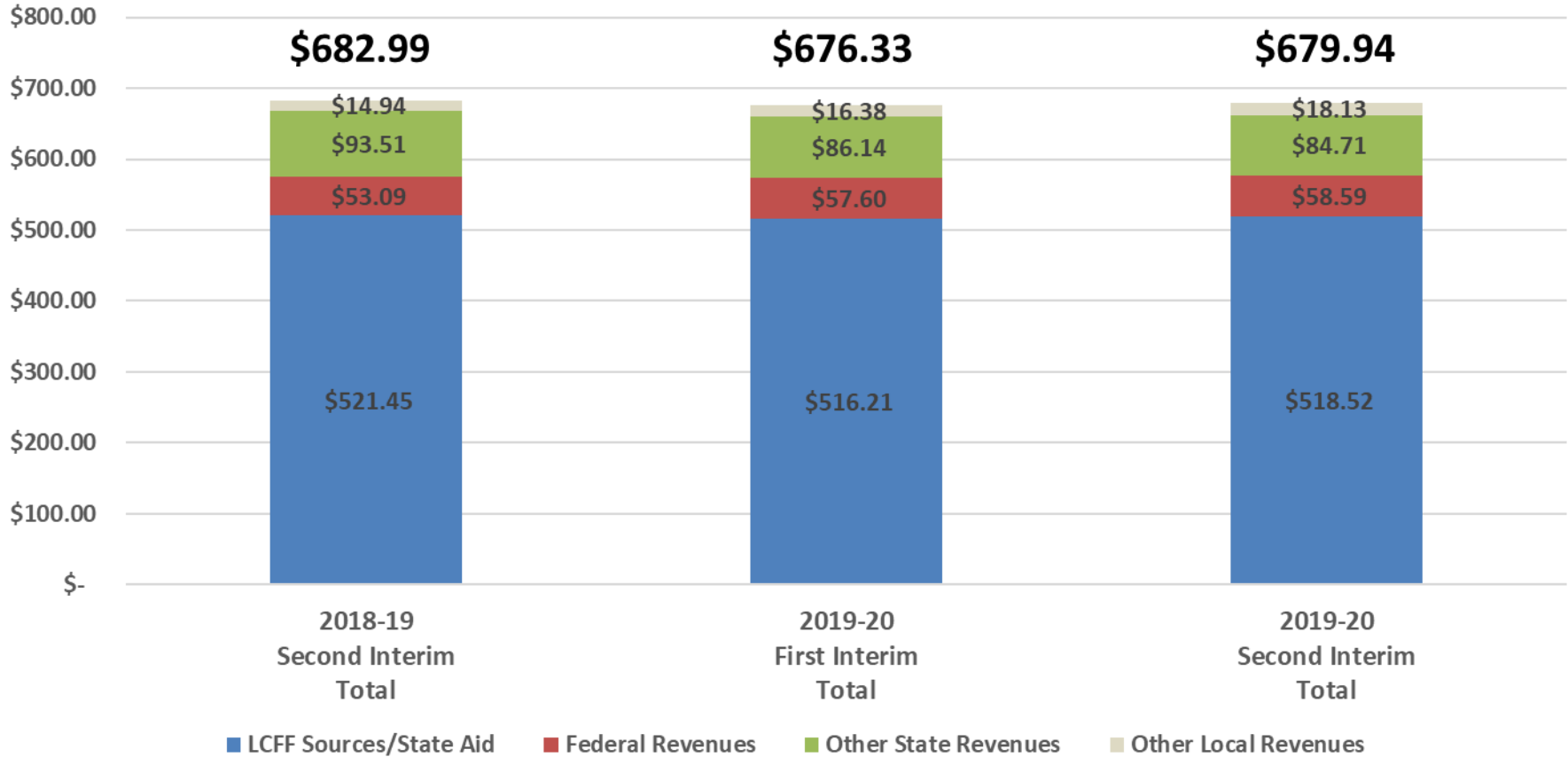
*Maintain District stability, solvency,
and local control*

Budget Reporting Cycle



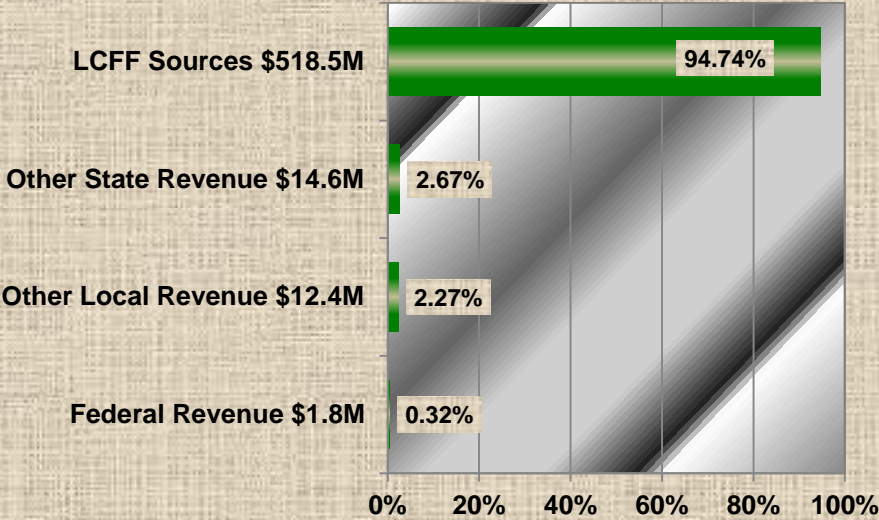
Our Financial Position

Revenue - General Fund

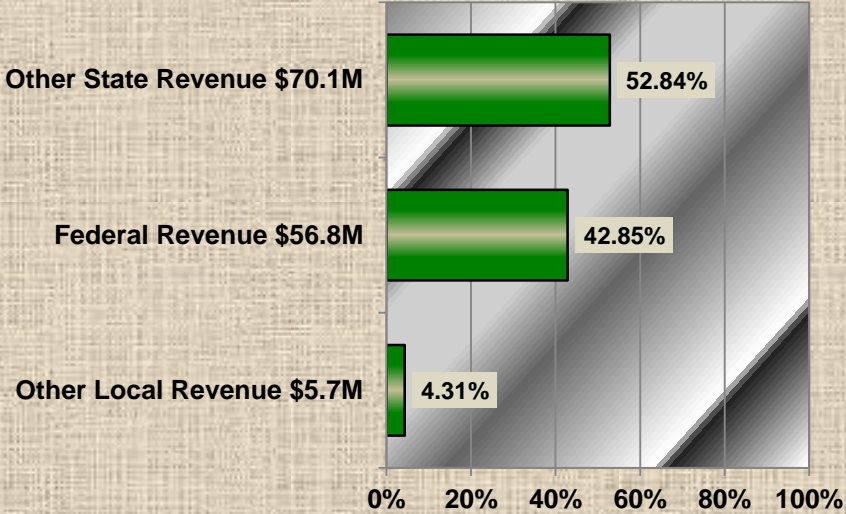


Our Financial Position

Unrestricted General Fund - Revenues

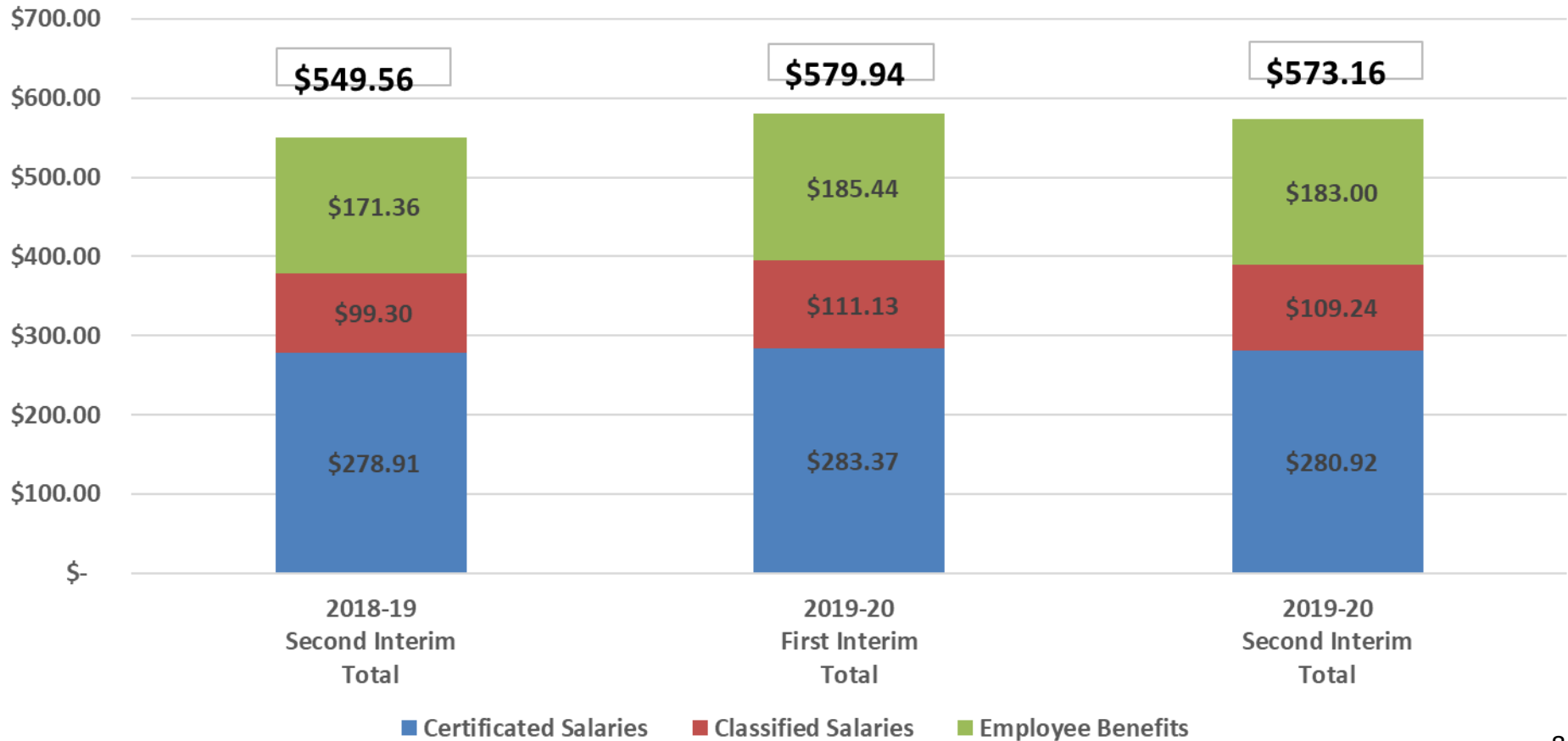


Restricted General Fund - Revenue



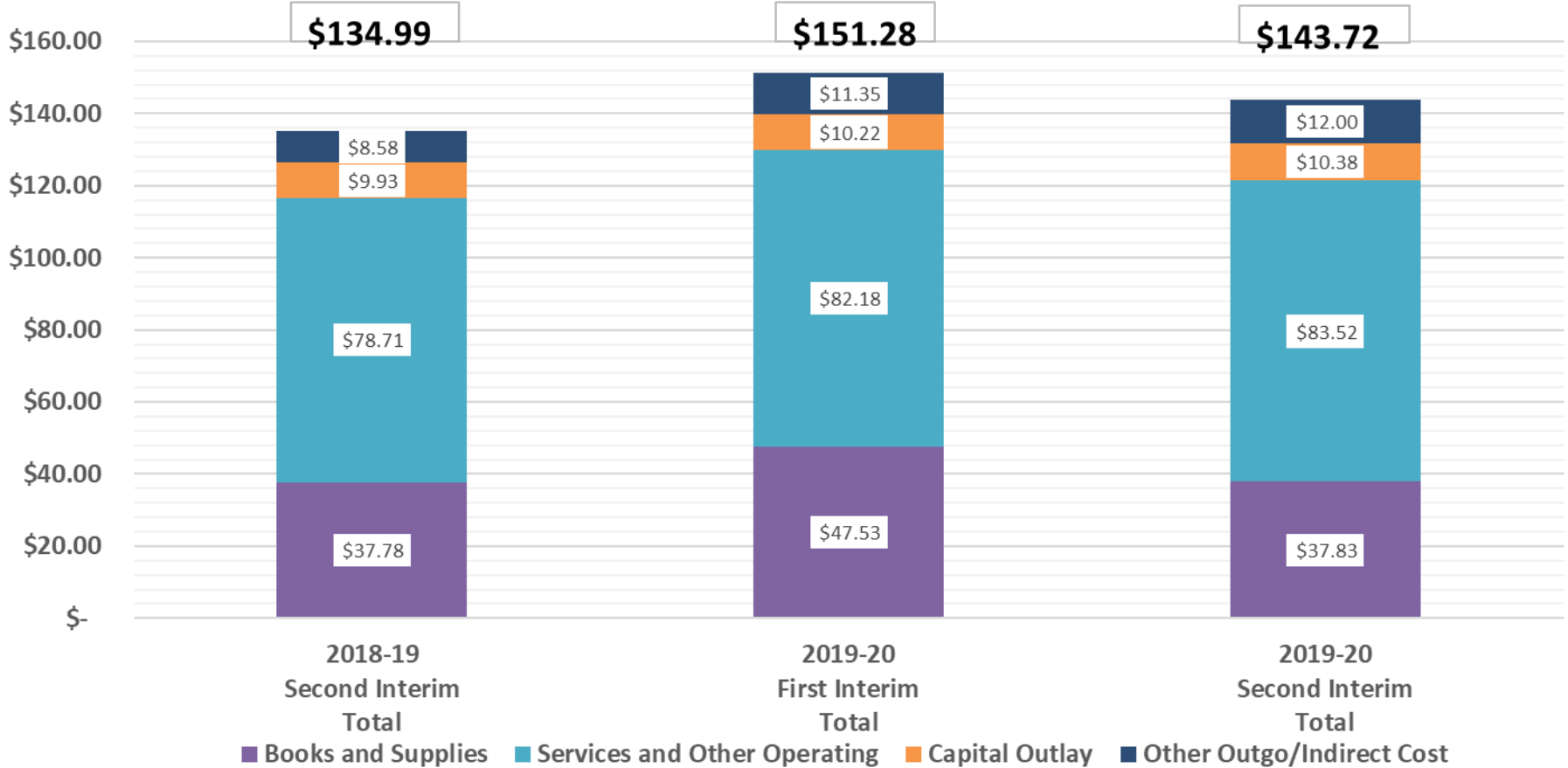
Our Financial Position

Personnel Expenditures - General Fund



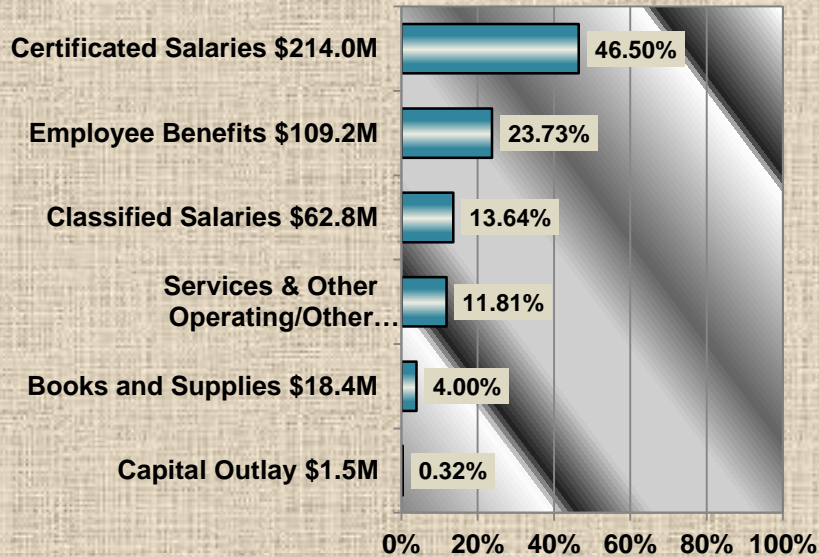
Our Financial Position

Non-Personnel Expenditures - General Fund

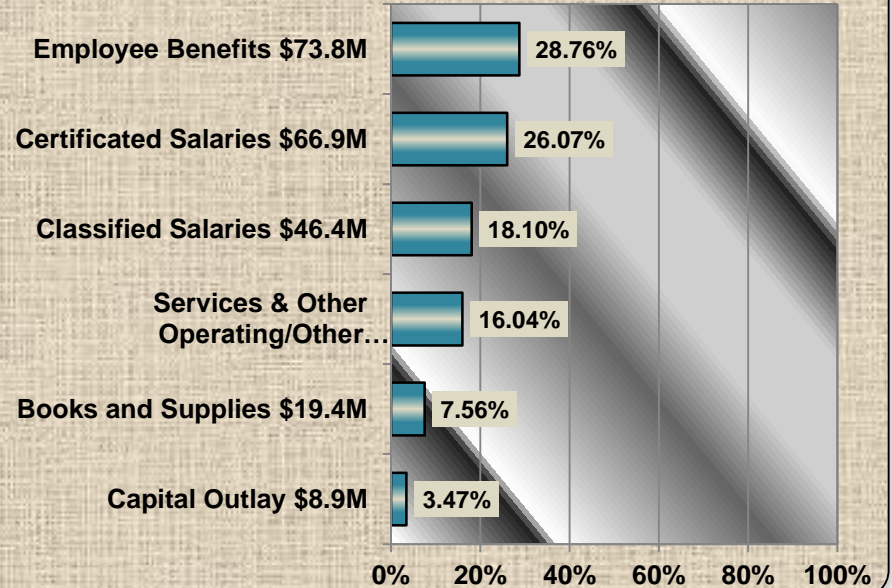


Our Financial Position

Unrestricted General Fund - Expenditures

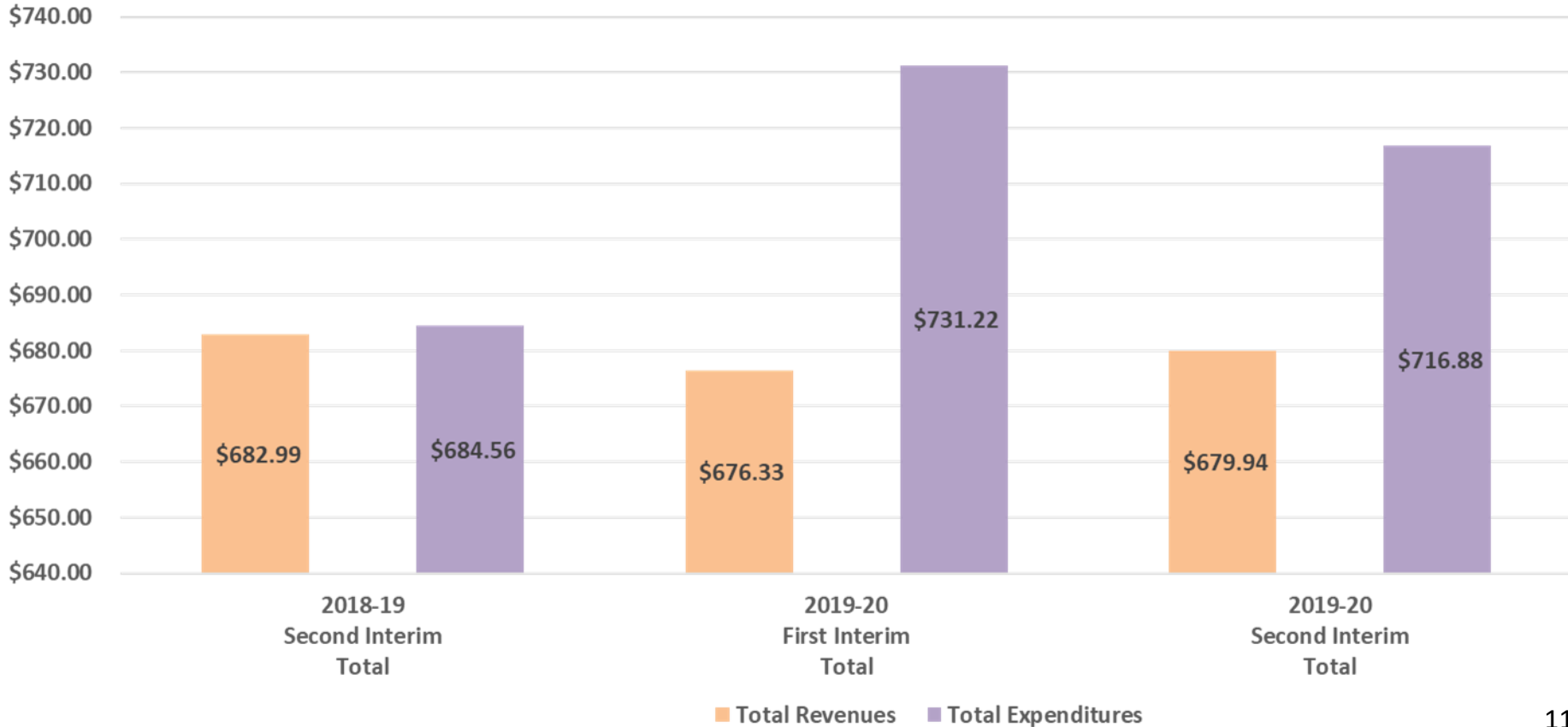


Restricted General Fund - Expenditures



Our Financial Position

Total Revenue & Total Expenditures – General Fund



Our Financial Position

Ending Fund Balance - General Fund



Our Financial Position – Other Funds

(\$ in Millions)

		2019-20 Second Interim			
Fund	Fund Description	Beginning Fund Balance	Revenues + Transfers in + other sources	Expenditures + Transfers out + other uses	Ending Fund Balance
09	Charter Schools Special Revenue Fund (ALA)	\$1.40	\$4.55	\$4.57	\$1.38
12	Child Development Fund	\$0.40	\$9.24	\$9.21	\$0.43
13	Cafeteria Fund	\$22.00	\$41.20	\$44.00	\$19.20
14	Deferred Maintenance Fund	\$7.37	\$4.16	\$6.81	\$4.72
17	Special Reserve for Other Than Capital Outlay Projects	\$0.00	\$1.20	\$0.00	\$1.20
20	Special Reserve for Postemployment Benefits	\$0.32	\$0.01	\$0.00	\$0.33
21	Building Fund	\$59.45	\$1.11	\$13.70	\$46.86
25	Capital Facilities Fund	\$17.33	\$6.72	\$9.48	\$14.57
35	Special Reserve Fund for Capital Outlay	\$24.86	\$0.42	\$24.20	\$1.08
40	County School Facilities Fund	\$12.20	\$7.86	\$11.78	\$8.28
49	Capital Project Fund for Blended Component Units	\$0.55	\$0.39	\$0.33	\$0.60
51	Bond Interest & Redemption Fund	\$29.38	\$20.78	\$20.58	\$29.57
56	Debt Service Fund	\$4.33	\$7.66	\$7.52	\$4.47
67	Self-Insurance Fund	\$29.52	\$26.09	\$25.02	\$30.59
71	Retiree Benefit Fund	\$50.01	\$0.00	\$0.00	\$50.01

Fiscal Outlook

Local & Statewide challenge with funding of K-12 education

Local Challenges

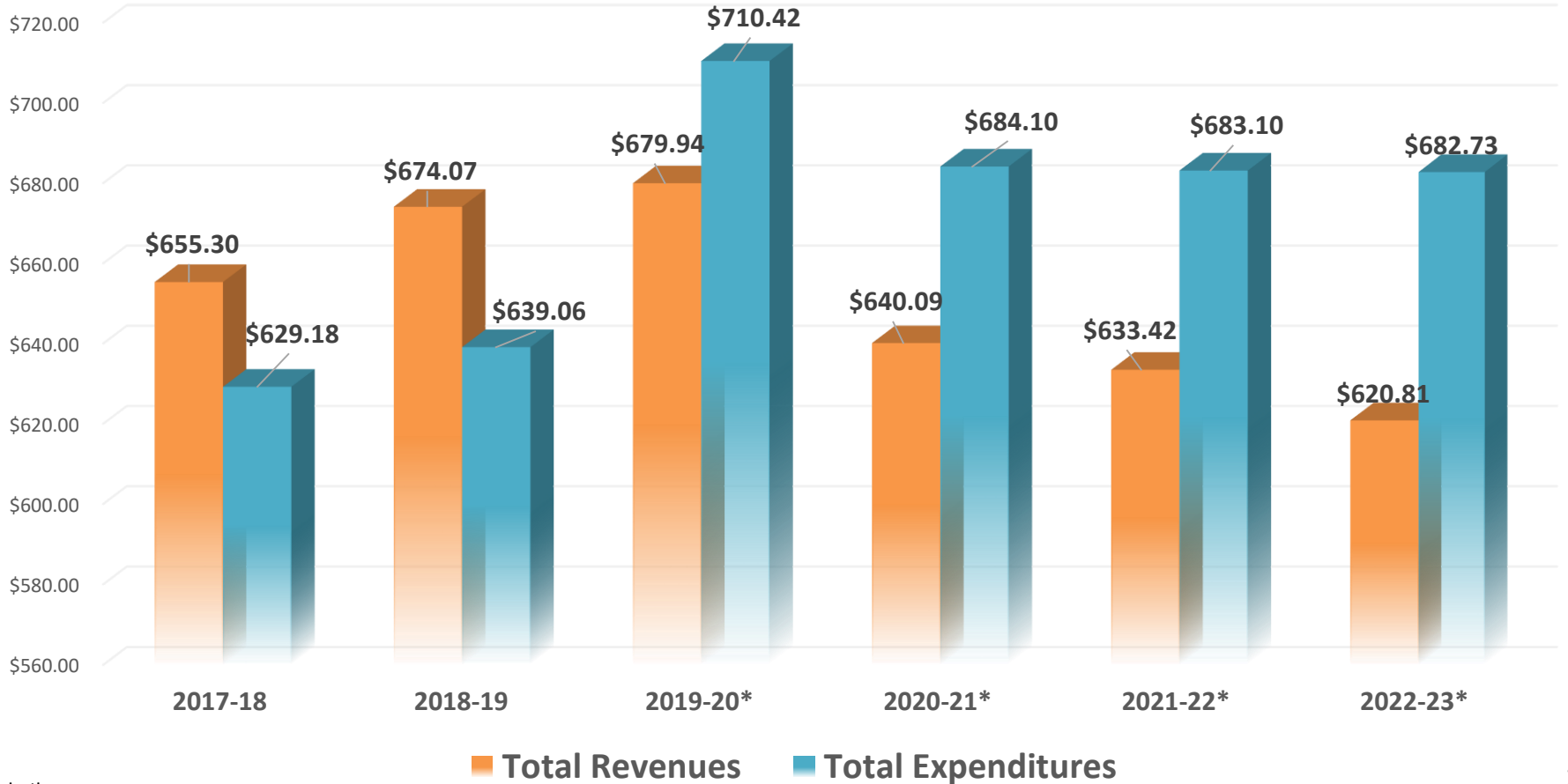
- Declining enrollment
- High cost of living
- Operational inefficiencies

Statewide Challenges

- Increasing Employer contributions to the retirement systems (STRS & PERS)
- Special education cost increases outpacing state funding
- Inadequate funding to K-12 schools

Fiscal Outlook

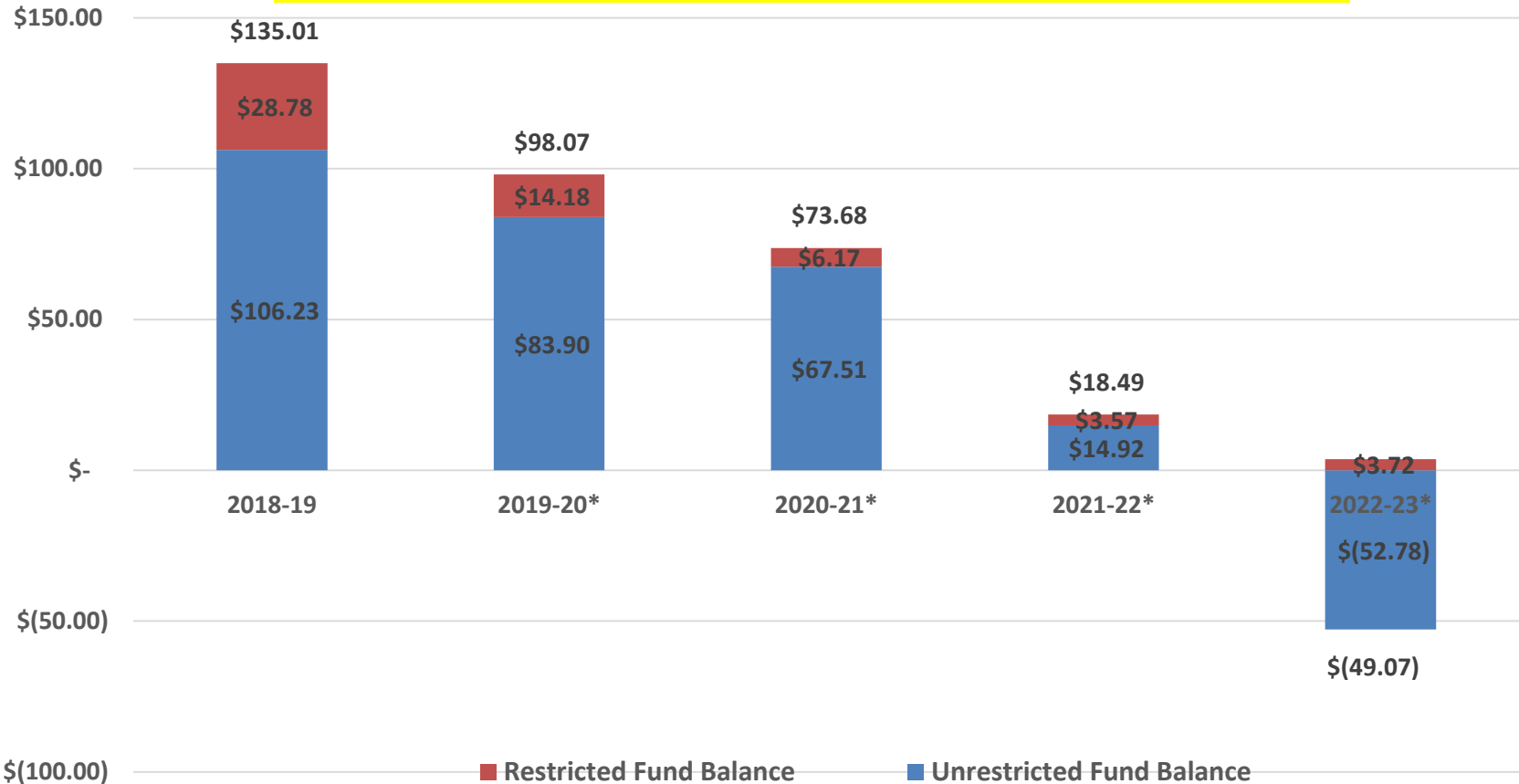
SAUSD MULTI-YEAR REVENUES AND EXPENDITURES (WITHOUT ADJUSTMENTS)



*Projections

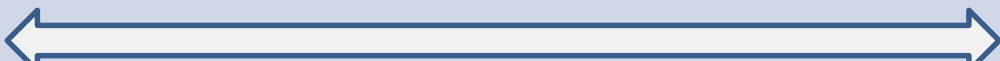
Fiscal Outlook

SAUSD GENERAL FUND ENDING FUND BALANCE (WITHOUT ADJUSTMENTS)



*Projections

Fiscal Outlook – Short Term Plan

	2019-20	2020-21	2021-22	2022-23
1	Realized \$7 Million (one-time) in expenditure savings from vacancies compared to 2019-20 First Interim			
2	Revenue increased by \$3 million (one-time) primarily from increase in Unduplicated Pupil Percentage (UPP) compared to 2019-20 First Interim			
3	Deferred \$8 Million (one-time) Social Studies textbook adoption to 2020-21			
4		Deferred \$4 Million (one-time) Science textbook adoption after 2022-23		
5		Transferring \$25 Million (one-time) from Self Insurance (Workers Compensation) Fund for General Fund Operations		
6		Transferring \$10 Million (ongoing for 5 years) annually from Retirement OPEB Fund for General Fund Operations		
7		Assumed natural attrition of 40 Teacher FTEs (not backfilled)		
8		5% reduction in Site Discretionary funding		
9		10% reduction in District Department Discretionary funding		
10			Assumes \$42 Million ongoing reduction in expenditure	Assumes \$42 Million ongoing reduction in expenditure
11	Improving Efficiencies in Operations			
12	Pursuing Grant opportunities			

Fiscal Outlook

General Fund \$ in Million	2018-19	2019-20	2020-21
Adjustments	-	-	-
Ending Fund Balance	\$104.38	\$80.30	\$64.77

General Fund \$ in Million	2019-20	2020-21	2021-22
Adjustments	-	\$(43.00)	\$(43.00)
Ending Fund Balance	\$68.38	\$47.44	\$29.73

General Fund \$ in Million	2019-20	2020-21	2021-22
Adjustments	-	\$(52.00)	\$(52.00)
Ending Fund Balance	\$80.13	\$52.77	\$20.58

General Fund \$ in Million	2019-20	2020-21	2021-22
Transfers		\$25.00 + \$10.00 Fund 67 Fund 71	\$10.00 Fund 71
Adjustments	-	-	\$(42.00)
Ending Fund Balance	\$98.07	\$73.68	\$60.49

2018 – 19 Budget Second Interim
March 12, 2019

2019 – 20 Budget Adoption
June 25, 2019

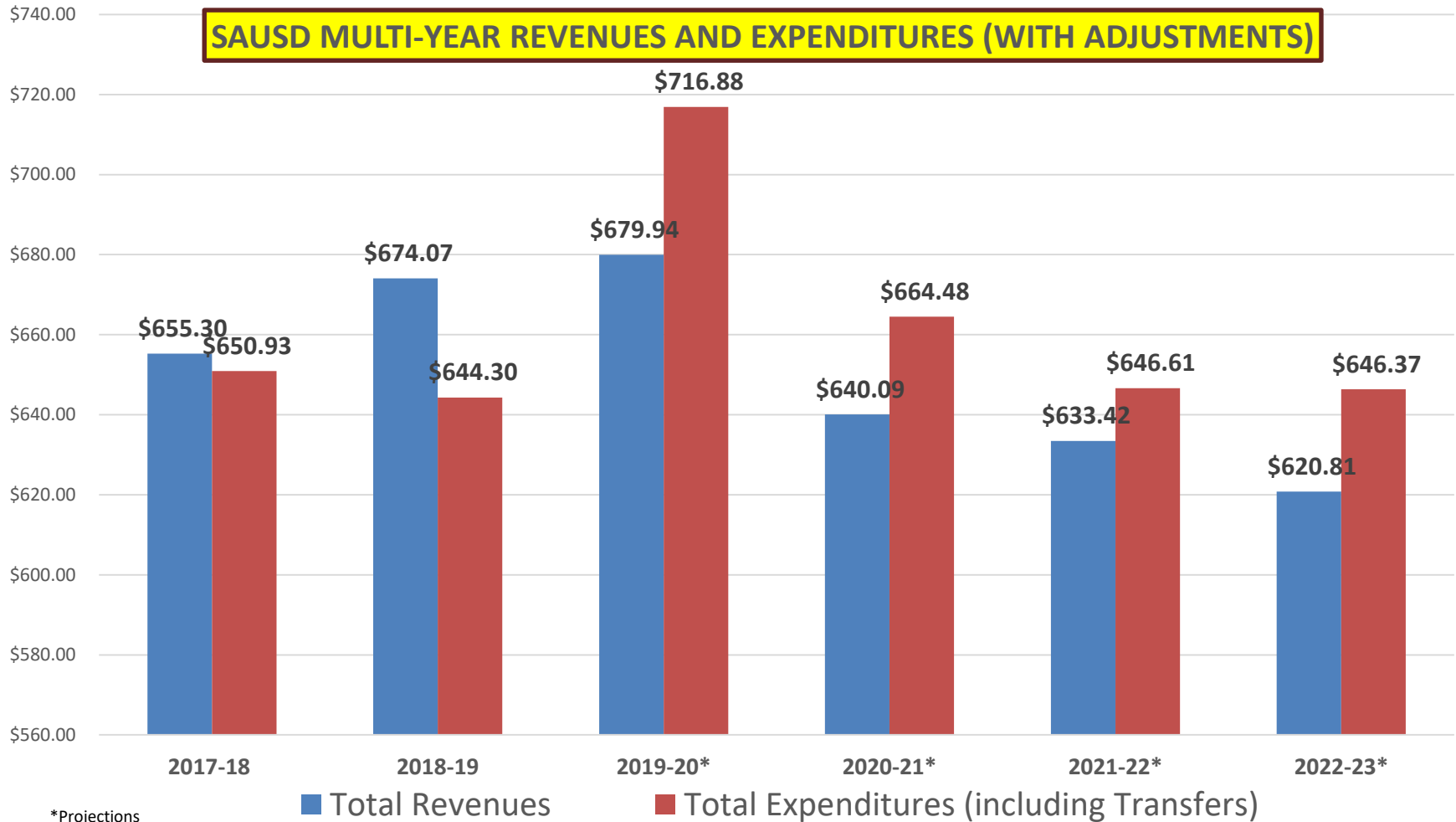
2019 – 20 Budget First Interim
Dec 10, 2019

2019 – 20 Budget Second Interim
March 10, 2020

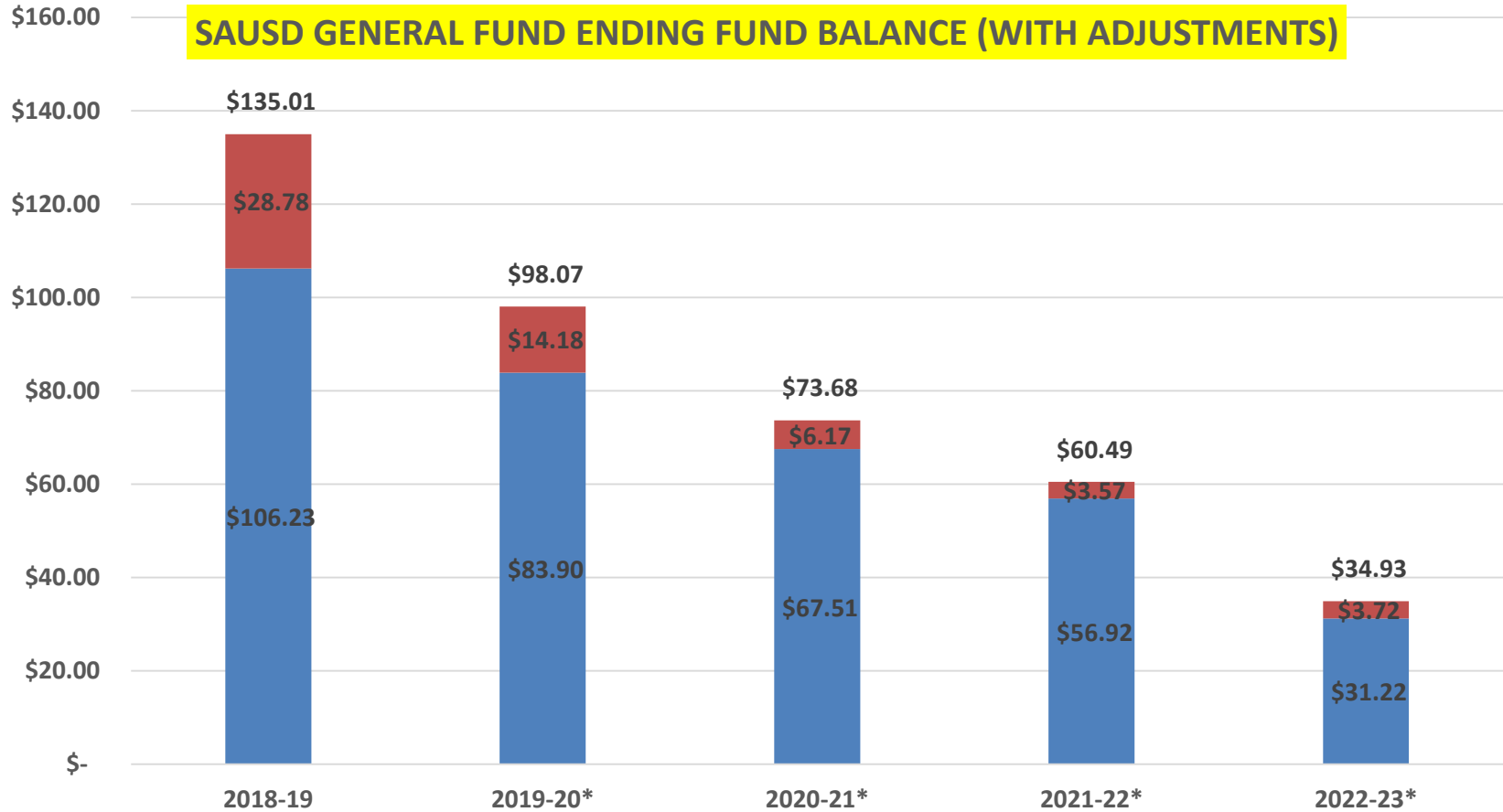


Fiscal Outlook

SAUSD MULTI-YEAR REVENUES AND EXPENDITURES (WITH ADJUSTMENTS)



Fiscal Outlook



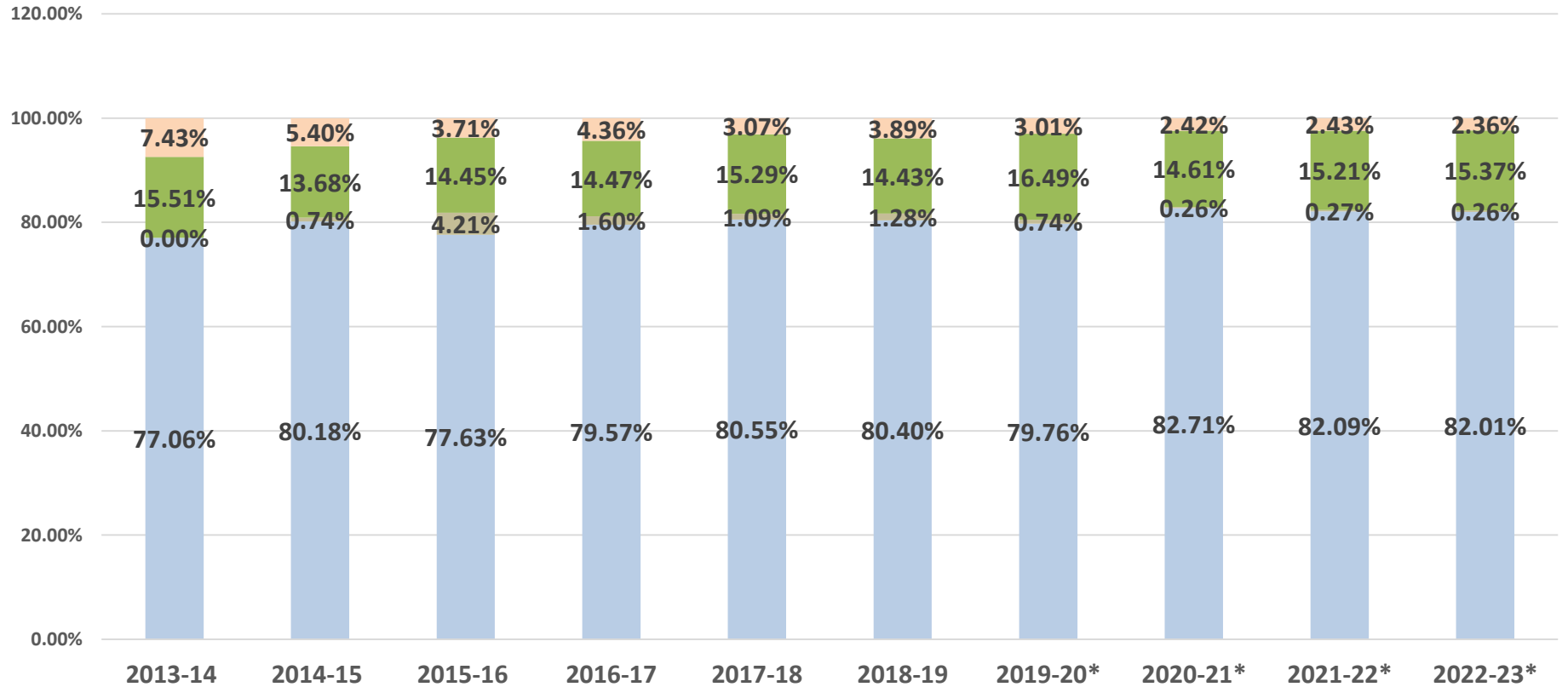
*Projections

■ Restricted Fund Balance

■ Unrestricted Fund Balance

Fiscal Outlook

SAUSD - REVENUES

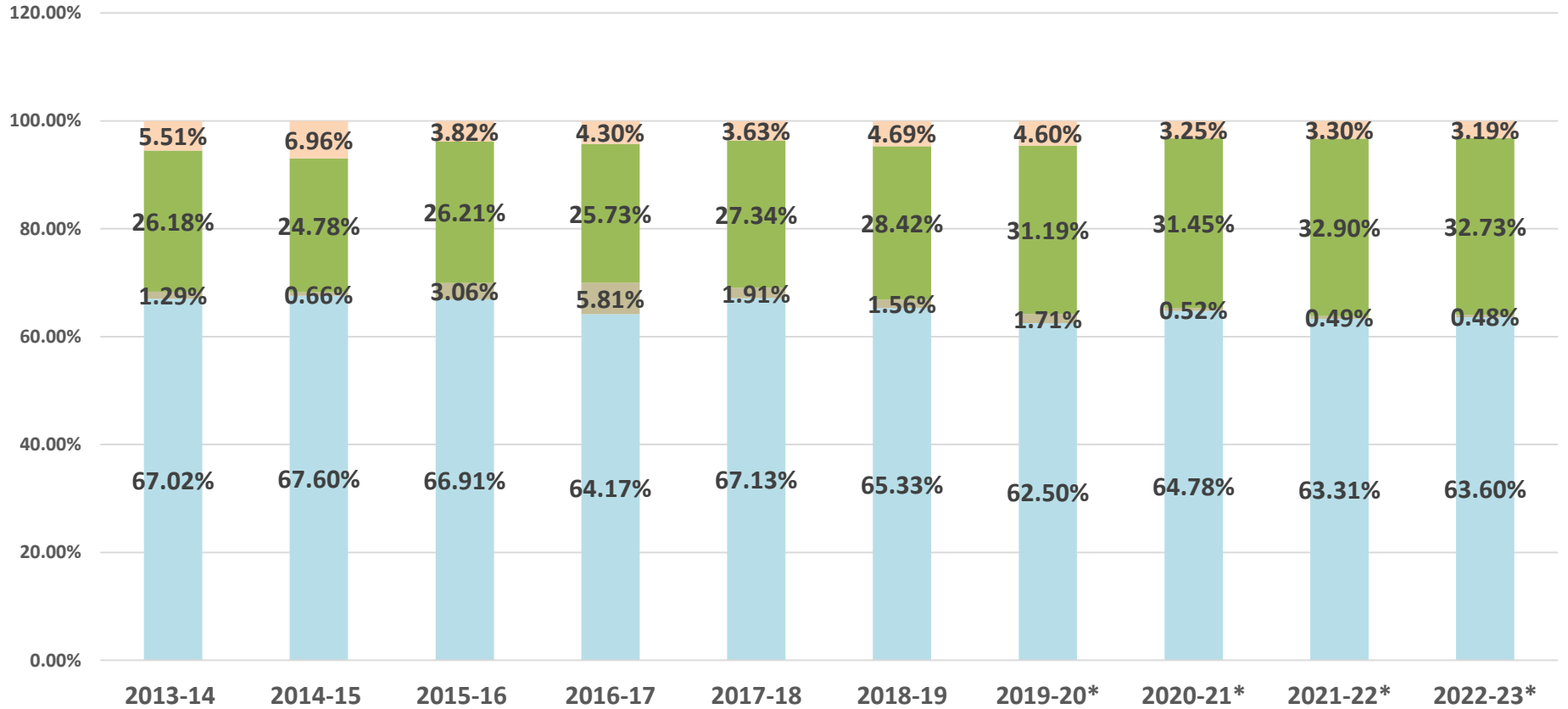


*Projections

■ Unrestricted Ongoing
 ■ Unrestricted One-time
 ■ Restricted Ongoing
 ■ Restricted One-time

Fiscal Outlook

SAUSD - EXPENDITURES



*Projections

■ Unrestricted Ongoing
 ■ Unrestricted One-time
 ■ Restricted Ongoing
 ■ Restricted One-time

Questions?