



2022-23 Second Interim Report



GOAL PRIORITY: Organizational Efficiency & Effectiveness

March 14, 2023

2022-23 SAUSD

Second Interim Financial Report

Board Goal

Organizational Efficiency & Effectiveness

SAUSD will design, develop, and deliver systems which improve efficiency and implement solutions with a high level of professionalism, in order to support the District's Educational Programs.

2022-23 SAUSD

Second Interim Financial Report

Agenda

- Budget Reporting Cycle
- Our Financial Position
 - General Fund
 - Multiyear Projections
 - Other District Funds Report
- Summary Comments/ Q & A

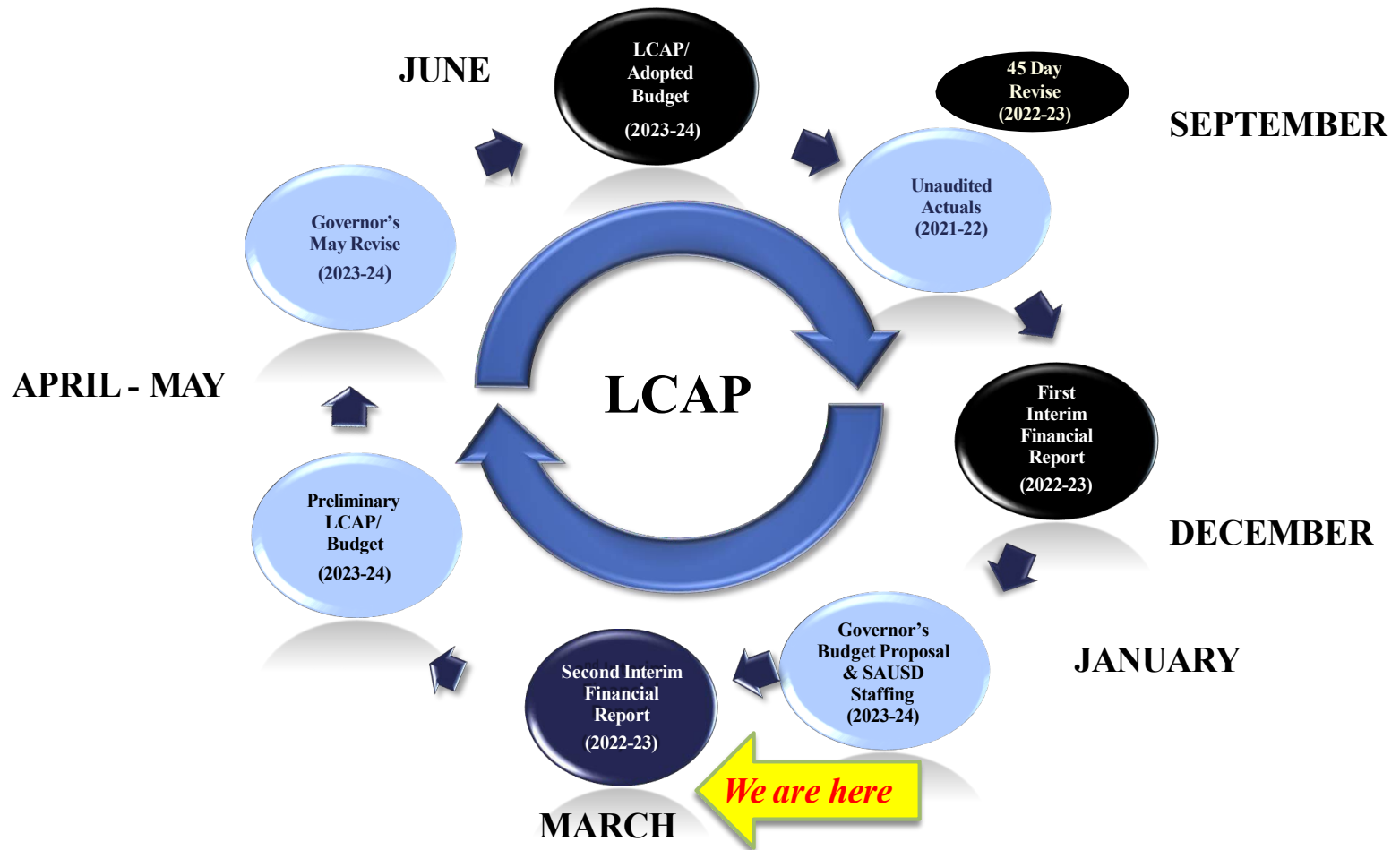
2022-23 SAUSD

Second Interim Financial Report

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.

2022-23 SAUSD Budget Reporting Cycle



2022-23 SAUSD

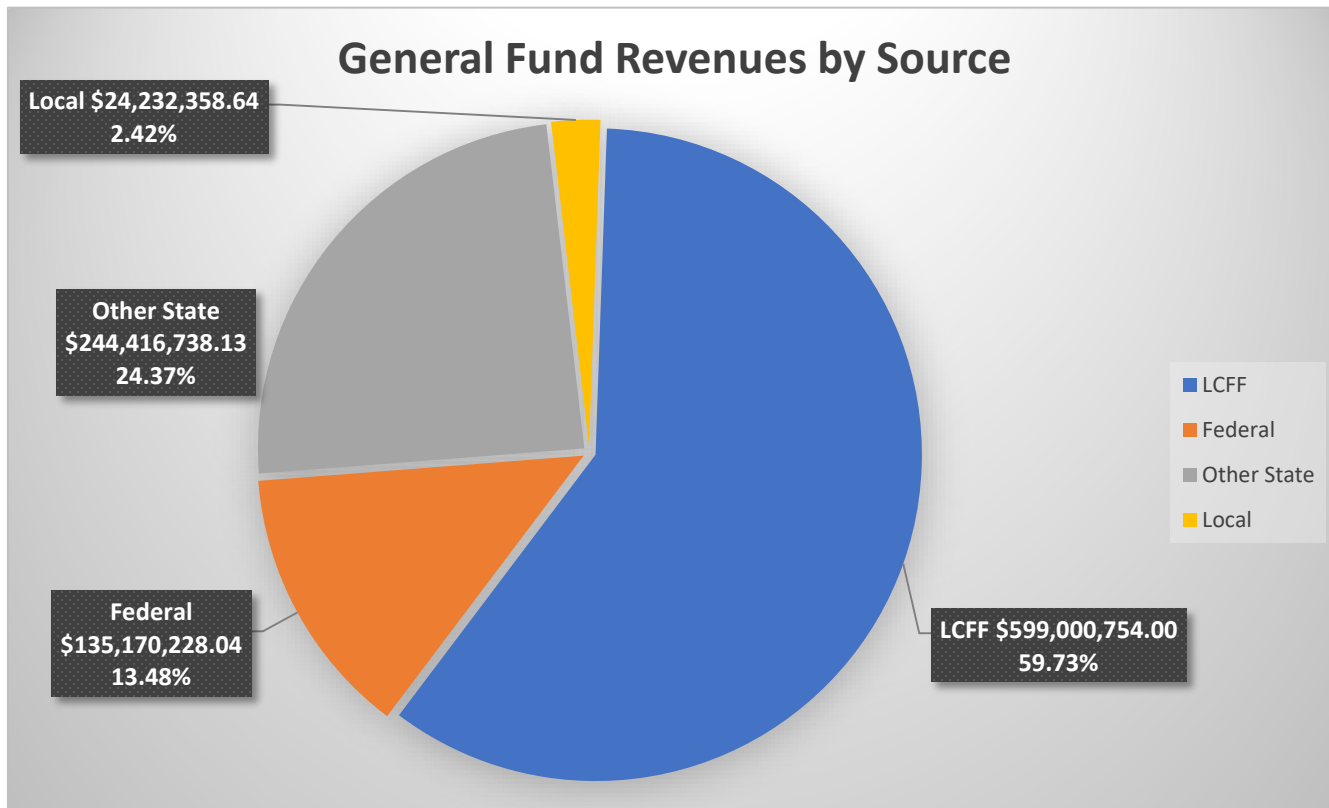
Second Interim Financial Report

Revenues

**Data as of
January 31, 2023**

2022-23 SAUSD Second Interim Financial Report

The General Fund



2022-23 SAUSD

Second Interim Financial Report

The General Fund

Unrestricted/ Restricted Revenue Summary

Revenues	Approved Budget (FI)	Projected Budget (SI)	Change
LCFF	\$585,018,818	\$599,000,754	\$13,981,936
Federal	\$157,114,803	\$135,170,228	(\$21,944,575)
Other State	\$259,752,366	\$244,416,738	(\$15,335,628)
Local	<u>\$17,401,405</u>	<u>\$24,232,359</u>	<u>\$6,830,954</u>
Totals:	\$1,019,287,392	\$1,002,820,079	(\$16,467,313)

2022-23 SAUSD

Second Interim Financial Report

General Fund Revenue

- \$14.0M Increase in LCFF revenue
 - One-time 2021-22 Average Daily Attendance (ADA) Loss Mitigation Adjustment
 - Increase in Unduplicated Pupil Count from 83.30% to 84.45%
- \$21.9M Decrease in Federal revenue
 - ESSER Fund Projects moved to 2023/24 (Revenue is recognized when spent)
- \$15.3M Decrease in Other State Revenue
 - Arts and Music Block Grant funding moved to 2023/24
- \$6.3M Increase in Local Revenue
 - Projected increase in interest income

2022-23 SAUSD

Second Interim Financial Report

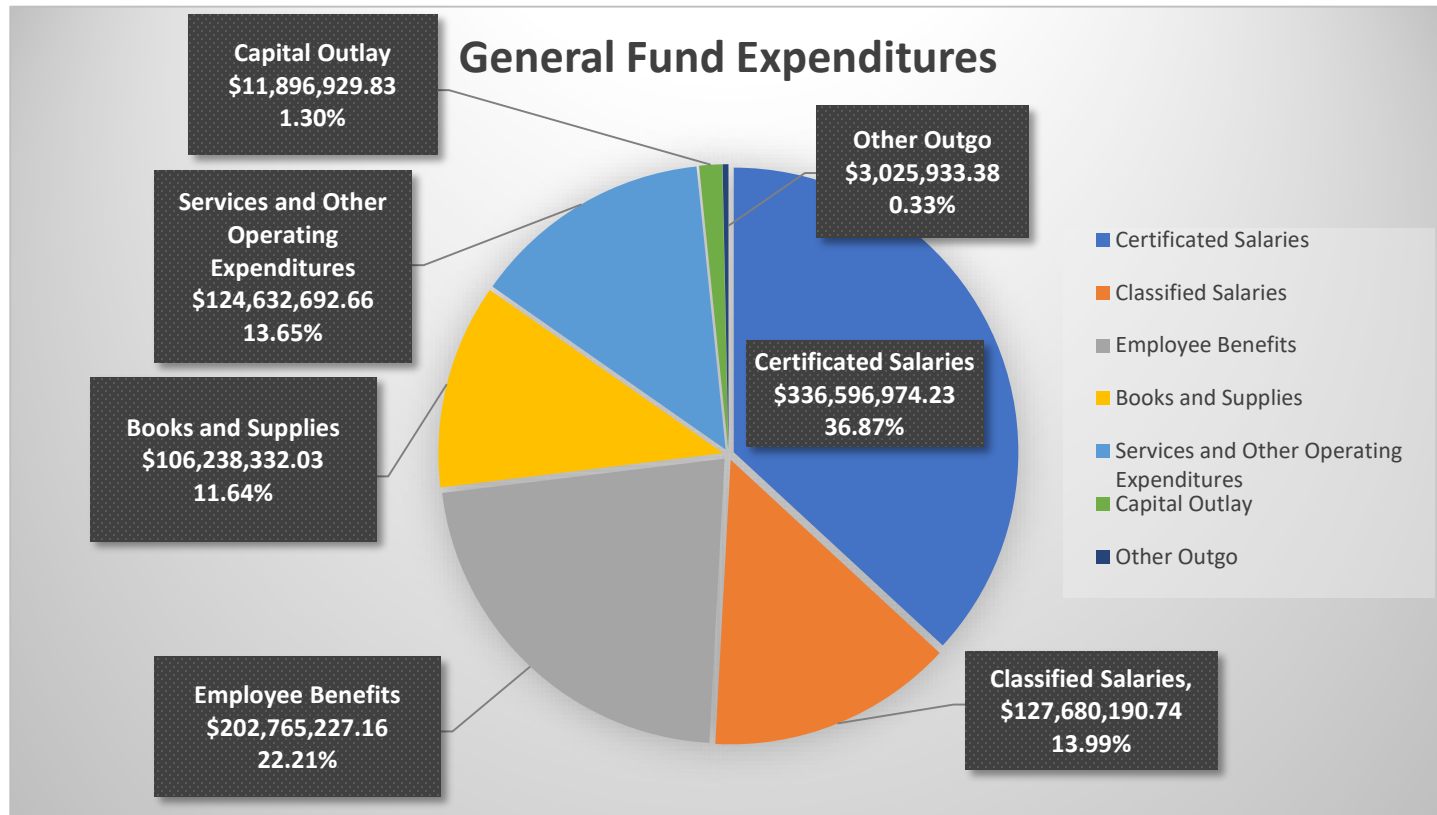
Expenditures

**Data as of
January 31, 2023**

2022-23 SAUSD

Second Interim Financial Report

General Fund Expenditures



73.07% of Expenditures represent salaries and benefits. Operating Services include: instructional and non-instructional licenses, consulting agreements, insurance, utilities, rentals and repairs, legal fees, internet and WIFI, other operating services, etc.

2022-23 SAUSD

Second Interim Financial Report

General Fund Expenditure Summary

District funds are allocated to support services for students. The following chart illustrates the District's General Fund budget variance as of January 31, 2023.

Expenditures	Approved Budget (FI)	Projected Budget (SI)	Change
1000 Certificated Salaries	\$351,117,954	\$336,596,974	(\$14,520,980)
2000 Classified Salaries	132,676,024	127,680,191	(4,995,834)
3000 Employee Benefits	206,211,813	202,765,227	(3,446,586)
4000 Books and Supplies	101,610,050	106,238,332	4,628,282
5000 Contracts & Services	122,285,694	124,632,693	2,346,998
6000 Capital Outlay	29,202,127	11,896,930	(17,305,197)
7100/ 7200 Other Outgo	4,547,598	4,547,598	0
7300 Dir Support/ Ind Costs	(2,696,115)	(1,521,665)	1,174,451
Totals:	\$944,955,145	\$912,836,280	(\$32,118,865)

2022-23 SAUSD

Second Interim Financial Report

General Fund Expenditures

- \$23M Decrease in Salaries and Benefits is due to budget true-up for vacant positions
- \$4.6M Increase in Books and Supplies
 - Instructional Materials and Visual and Performing Arts (VAPA) Equipment
- \$2.3M Increase in Contracts and Services
 - Field Trips (Transportation & Registration Fees)
 - Software Licenses (CISCO, Lexia, and Rosetta Stone)
- \$17.3M Decrease in Capital Outlay
 - Construction projects starting in the summer of 2023

2022-23 SAUSD

Second Interim Financial Report

General Fund Contributions

Some programs do not generate revenues that are sufficient to cover all expenses. For these programs, the General Fund must “contribute” unrestricted dollars to maintain the program or service. Year-end contributions for 2022-23 at Second Interim reporting are projected to be:

Resource Description	General Fund Projected Contribution
Special Education	\$ 86,088,734
Ongoing and Major Maintenance Account	24,160,262
TIPS (Teaching Induction and Professional Support)	209,550
Donations-Hall of Fame Wall	2,500
General Fund Projected Contribution Total:	\$ 110,461,046

2022-23 SAUSD

Second Interim Financial Report

General Fund

Beginning Fund Balance as of July 1, 2022:	\$272,061,499
+ Revenues & Trans in:	\$1,002,820,079
- Expenditures & Trans Out:	(\$921,598,282)
Net Surplus/(Deficit)	\$81,221,796
Projected Ending Fund Balance as of June 30, 2023	\$353,283,295
Components	Projected
Revolving Cash	\$190,000
Stores	\$1,000,000
Prepaid Expenditures	\$0
Restricted Ending Balances	\$127,651,066
Stabilization Arrangements	\$0
Required Reserve for Economic Uncertainties	\$18,431,966
Subtotal:	\$147,273,031
Other Commitments	\$117,390,147
Other Assigned	\$88,620,117
Total Components:	\$353,283,295

2022-23 SAUSD

Second Interim Financial Report

General Fund Ending Balance

Commitments	
General Fund Mitigation for Declining Enrollment	\$105,390,147
Pending Claim Liability	\$12,000,000
Total Commitments	\$117,390,147
Assignments	
Godinez Joint Use	\$65,901
Public Agency Retirement Services (PARS) SRP 2021	\$12,461,485
Walker/Roosevelt Joint Use	\$300,000
SPED Early Intervention Preschool Grant	\$1,997,704
E-Rate Category 2	\$10,706,020
Instructional Materials	\$6,980,059
Technology Refresh	\$2,364,893
SPED Out-of-State Transportation Liability	\$2,000,000
Fiscal Stabilization	\$47,441,035
Fair Value of Investments	\$4,303,020
Total Assigned:	\$88,620,117

2022-23 SAUSD
Second Interim Financial Report

**Other Funds & Multi-Year
Projection**

2022-23 SAUSD

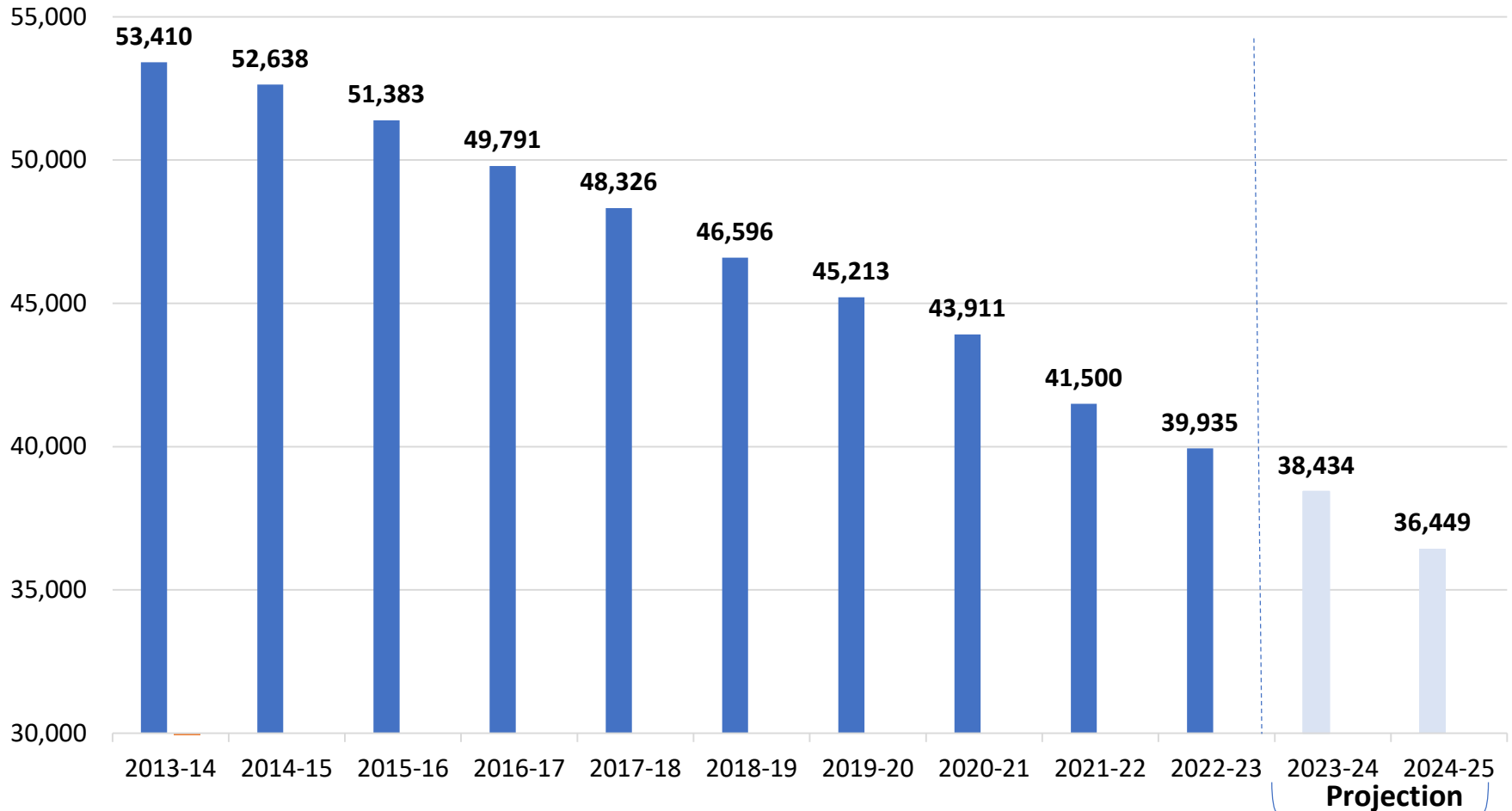
Second Interim Financial Report

All Other Funds Expenditures Report (in Millions)

Fund	Fund Description	First Interim Projected Expenditures	Second Interim Projected Expenditures	Change
08	Student Activity Special Revenue Fund	\$0.00	\$1.03	\$1.03
09	Charter Schools Special Revenue Fund	\$6.93	\$7.09	\$0.15
12	Child Development Fund	\$17.89	\$17.89	(\$0.00)
13	Cafeteria Fund	\$48.16	\$46.84	(\$1.31)
14	Deferred Maintenance Fund	\$3.43	\$4.08	\$0.64
17	Special Reserve for Other Than Capital Outlay Projects	\$0.00	\$0.00	\$0.00
20	Special Reserve for Postemployment Benefits	\$0.00	\$0.00	\$0.00
21	Building Fund	\$35.12	\$72.49	\$37.38
25	Capital Facilities Fund	\$3.01	\$4.43	\$1.42
35	County School Facilities Fund	\$9.64	\$11.30	\$1.66
40	Special Reserve Fund for Capital Outlay	\$3.95	\$2.46	(\$1.49)
49	Capital Project Fund for Blended Component Units	\$0.00	\$0.00	\$0.00
51	Bond Interest & Redemption Fund	\$21.06	\$21.06	\$0.00
56	Debt Service Fund	\$7.79	\$7.79	\$0.00
67	Self-Insurance Fund	\$21.02	\$20.82	(\$0.20)
71	Retiree Benefit Fund	\$0.00	\$0.00	\$0.00
	Total:	\$178.01	\$217.29	\$39.28

2022-23 SAUSD Second Interim Financial Report

SAUSD Student Enrollment



2022-23 SAUSD

Second Interim Financial Report

General Fund Balance Multi-Year Projection

<u>Fund Component</u>	<u>2022-23 (SI)</u>	<u>2023-24</u>	<u>2024-25</u>
Revenues	\$1,002,820,079	\$834,794,506	\$790,957,404
Expenditures & Transfers	921,598,282	875,208,393	804,492,896
Inc./ (Dec.) in Fund Balance	81,221,796	(40,413,886)	(13,535,492)
Beginning Fund Balance	272,061,499	353,283,295	312,869,409
Ending Fund Balance	<u>\$353,283,295</u>	<u>\$312,869,409</u>	<u>\$299,333,917</u>
<u>Ending Fund Balance:</u>			
Nonspendable	1,190,000	1,190,000	1,190,000
Restricted	127,651,066	86,387,896	72,487,933
Res. Econ. Uncertainty (2%)	18,431,966	17,504,168	16,089,858
Committed	117,390,147	117,390,147	117,390,147
Assigned	88,620,117	90,397,198	92,175,979

2022-23 SAUSD

Second Interim Financial Report

Staff Recommendation

It is recommended that the Board approve the District's Second Interim Financial Report and File a Positive Certification.

The District certifies that based on the projections, it will meet its financial obligations for the current year and two subsequent fiscal years.

Questions & Discussion

