

2022-23 First Interim Report



December 13, 2022

2022-23 SAUSD

First Interim Financial Report

Agenda

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

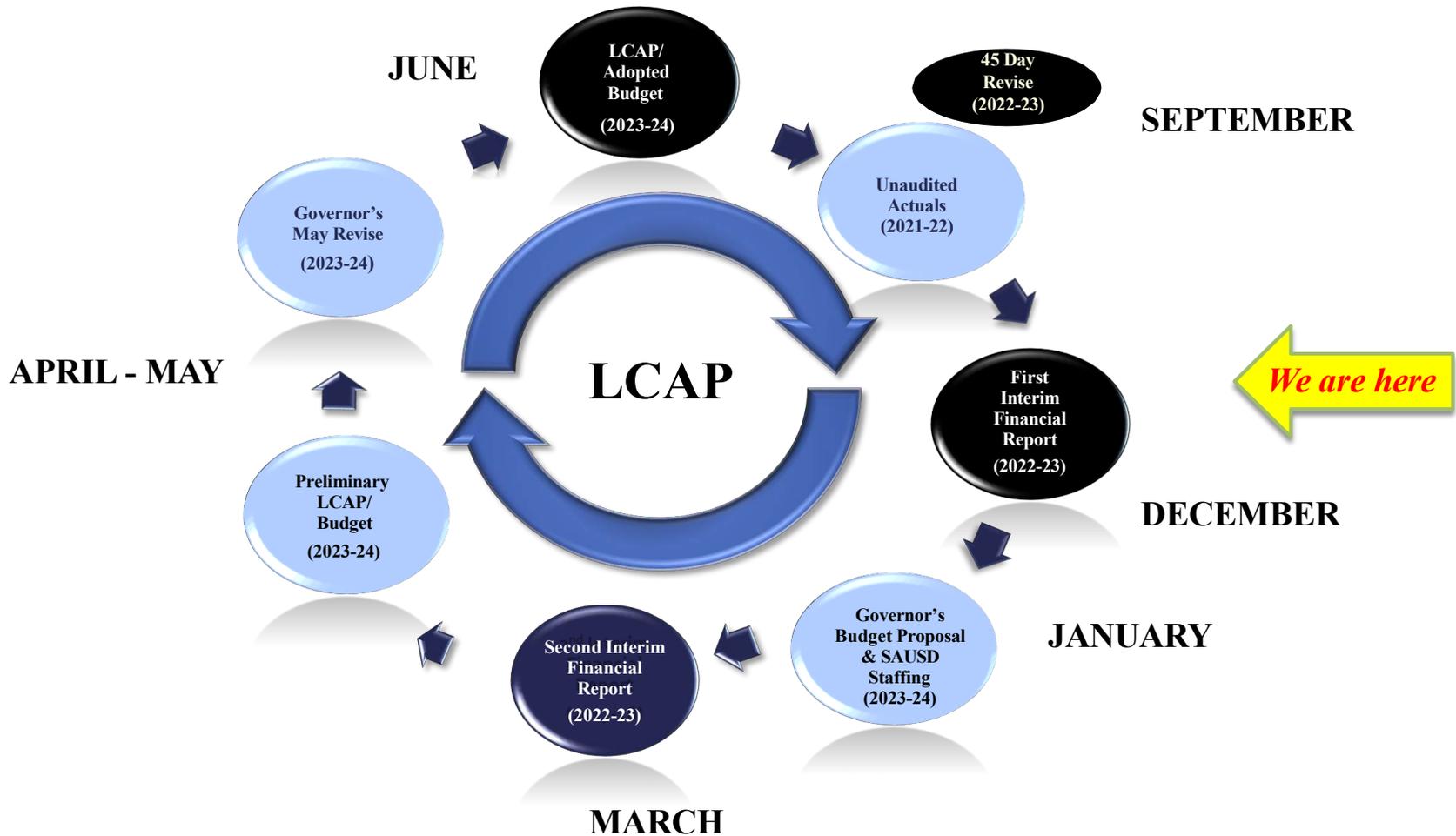
2022-23 SAUSD

First Interim Financial Report

First 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



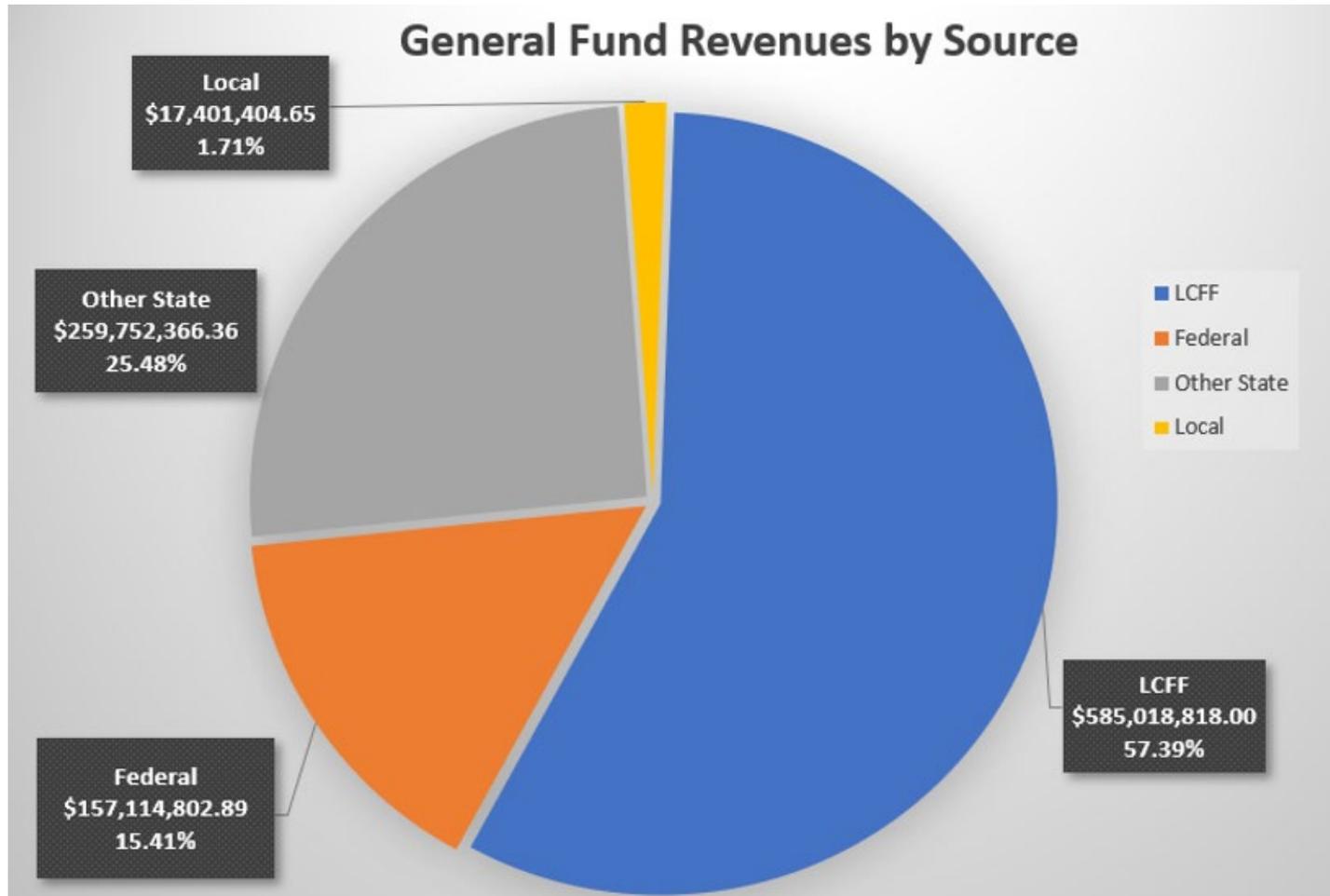
2022-23 SAUSD
First Interim Financial Report
Revenues

Data as of
October 31, 2022

2022-23 SAUSD

First Interim Financial Report

The General Fund



2022-23 SAUSD

First Interim Financial Report

The General Fund

Unrestricted/Restricted Revenue Summary

Revenues	Approved Budget	Projected Budget (FI)	Change
LCFF	\$558,901,626	\$585,018,818	\$26,117,192
Federal	\$139,502,179	\$157,114,803	\$17,612,624
Other State	\$193,795,736	\$259,752,366	\$65,956,630
Local	\$10,060,046	\$17,401,405	\$7,341,359
Totals	\$902,259,586	\$1,019,287,392	\$117,027,806

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General Fund Revenue

- \$26.12M Increase in LCFF revenue
 - Increase in the LCFF base grant from 3.30% to 6.70%
 - Increase of 466.93 funded ADA
 - Revision of the P-2 ADA
- \$17.61M Increase in Federal revenue
 - Carryover of ESSER III, Title I, Title II, Title IV
 - Decrease of \$2.23M of Special Education funding
- \$65.96M Increase in other state revenue
 - \$27.7M award increase to the Learning Recovery Emergency Block Grant
 - \$24.2M award for the Arts, Music, and Instructional Materials Discretionary Block Grant
 - \$5.7M California Community Schools Partnership Program (CCSPP) Grant

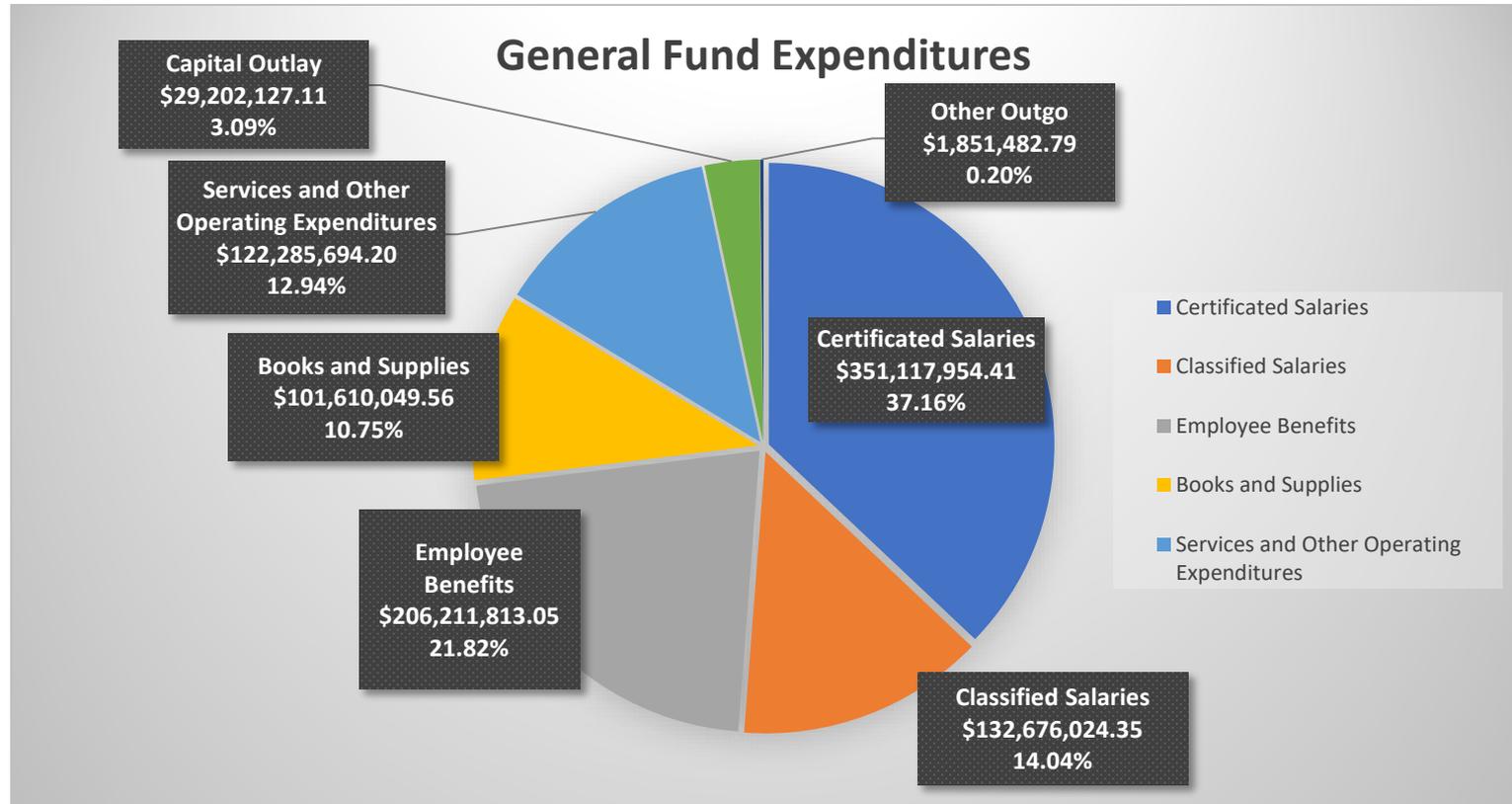
2022-23 SAUSD
First Interim Financial Report
Expenditures

Data as of
October 31, 2022

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First Interim Financial Report

General Fund Expenditures



73.02% 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.

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First 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 October 31, 2022

Expenditures	Approved Budget	Projected Budget (FI)	Change
1000 Certificated Salaries	\$344,286,483	\$351,117,954	\$6,831,472
2000 Classified Salaries	130,266,933	132,676,024	2,409,091
3000 Employee Benefits	210,791,289	206,211,813	(4,579,476)
4000 Books and Supplies	83,035,731	101,610,050	18,574,319
5000 Contracts & Services	95,159,138	122,285,694	27,126,556
6000 Capital Outlay	26,971,334	29,202,127	2,230,793
7100/7200 Other Outgo	4,547,598	4,547,598	-
7300 Dir Support/Ind Costs	(2,319,063)	(2,696,115)	(377,052)
Totals	\$876,519,905	\$944,955,145	\$52,215,702

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First Interim Financial Report

General Fund Expenditures

- \$6.8M Increase in Certificated Salaries; \$2.4M Increase in Classified Salaries; \$4.6M Decrease in Benefits due to New Positions, Vacancies, and True Up
- \$18.6M Increase in Books and Supplies
 - \$2M for Student Furniture Replacement, \$1.64M for Textbooks, \$14.9M for Instructional Materials
- \$27.1M Increase in Contracts & Services
 - \$21.2M for Direct Services to Students, Transportation Services
 - \$1.1M to Support Professional Development
 - \$2.1M E-rate Network Upgrade
- \$2.2M Increase in Capital Outlay
 - \$1.4M for Renovations and Facilities Enhancements
 - \$347K for HVAC Upgrades
 - \$220K for Food Truck for the Culinary Arts
 - \$233K for Bindery and Mailing Equipment

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First 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 First Interim reporting are projected to be:

Resource Description	Projected Contribution
Special Education	\$87,931,843
Special Ed: Early Ed Individuals with Exceptional Needs Infant Program	69,321
Special Ed: Workability I LEA	7,507
Ongoing and Major Maintenance Account	24,425,606
TIPS (Teaching Induction and Professional Support)	209,550
Donations-Hall of Fame Wall	2,500
Total	\$112,646,327

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First Interim Financial Report

General Fund

Beginning Fund Balance as of July 1, 2022:	\$272,061,499
+ Revenues & Trans in:	\$1,019,287,392
- Expenditures & Trans Out:	(\$951,329,773)
Net Surplus/(Deficit)	\$67,957,619
Projected Ending Fund Balance as of June 30, 2023	\$340,019,117

Components of the Ending Fund Balance	Projected
Revolving Cash	\$190,000
Stores	\$1,000,000
Prepaid Expenditures	\$0
Restricted Ending Balances	\$133,674,989
Stabilization Arrangements	\$0
Required Reserve for Economic Uncertainties	\$19,026,595
Subtotal	\$153,891,584
Other Commitments	\$117,390,147
Other Assigned	\$68,737,386
Total Components	\$340,019,117

2022-23 SAUSD

First 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 Rental Fees	\$101,587
PARS SRP 2021	\$12,461,485
Roosevelt/Walker Community Center 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	\$27,522,618
Fair Value of Investments	\$4,303,020
Total Assigned	\$68,737,386

**2022-23 SAUSD
First Interim Financial Report**

**Other Funds &
Multi-Year Projection**

2022-23 SAUSD

First Interim Financial Report

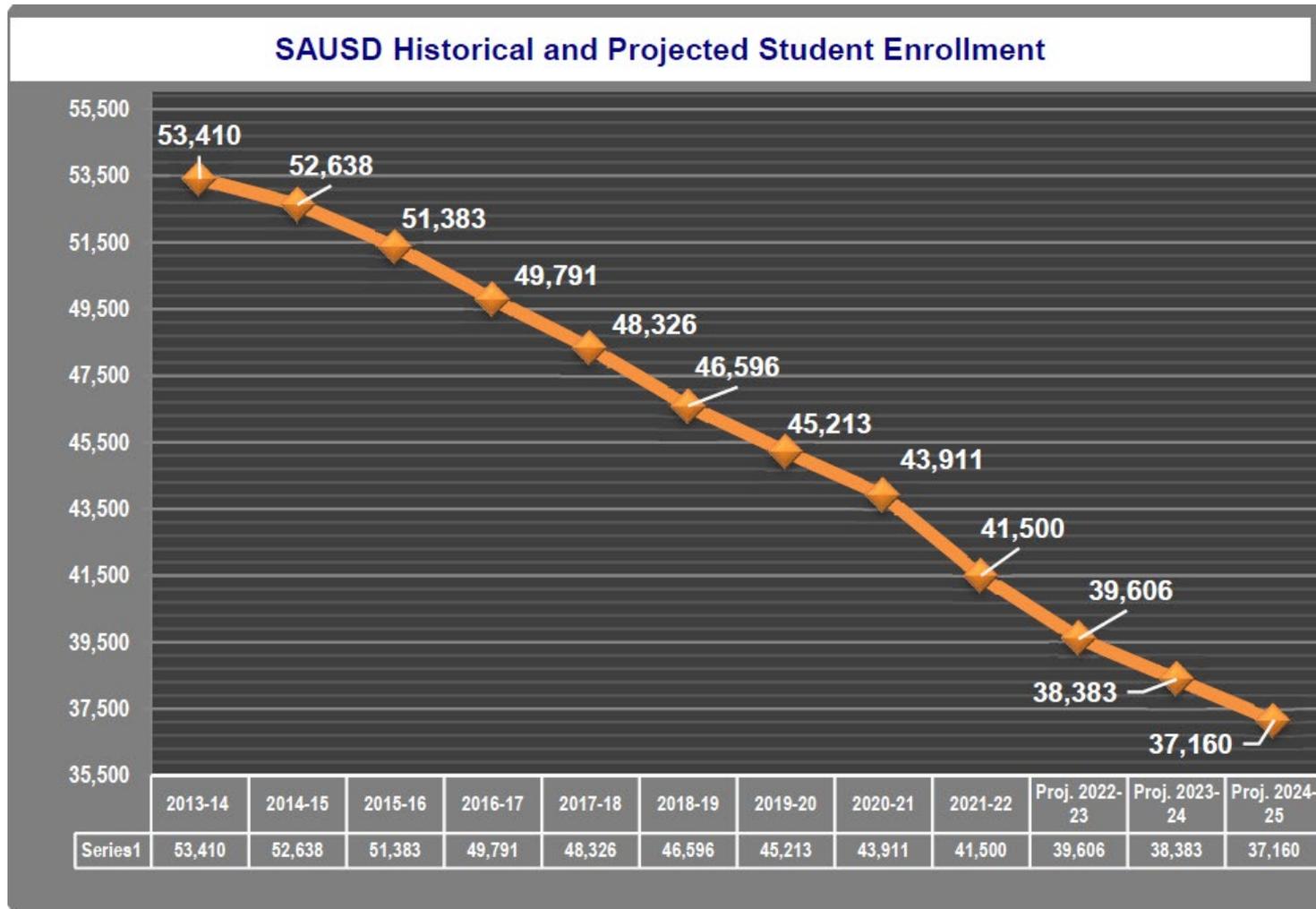
All Other Funds Expenditures Report (in million)

Fund #	Fund Name	Adopted Budget Expenditures	First Interim Projected Expenditures	Change
08	Student Activity Special Revenue Fund	0.00	0.00	0.00
09	Charter Schools Special Revenue Fund	7.42	6.93	(0.48)
12	Child Development Fund	10.89	17.89	7.00
13	Cafeteria Fund	44.28	48.16	3.88
14	Deferred Maintenance Fund	3.35	3.43	0.08
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	12.36	35.12	22.75
25	Capital Facilities Fund	2.70	3.01	0.31
35	County School Facilities Fund	2.52	9.64	7.12
40	Special Reserve Fund for Capital Outlay	3.42	3.95	0.53
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	20.71	21.02	0.31
71	Retiree Benefit Fund	0.00	0.00	0.00
	Total	\$136.52	\$178.01	\$41.49

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First Interim Financial Report

General Fund Multi-Year Projection



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General Fund Balance Multi-Year Projection

<u>Fund Component</u>	<u>2022-23 (FI)</u>	<u>2023-24</u>	<u>2024-25</u>
Revenues	\$1,019,287,392	\$773,455,447	\$751,839,843
Expenditures & Transfers	951,329,773	806,502,359	768,851,350
Inc./(Dec.) in Fund Balance	67,957,619	(33,046,912)	(17,011,507)
Beginning Fund Balance	272,061,499	340,019,117	306,972,205
Ending Fund Balance	<u>\$340,019,117</u>	<u>\$306,972,205</u>	<u>\$289,960,698</u>
<u>Ending Fund Balance:</u>			
Nonspendable	1,190,000	1,190,000	1,190,000
Restricted	133,674,989	100,013,395	82,788,846
Res. Econ. Uncertainty (2%)	19,026,595	16,130,047	15,377,027
Committed	117,390,147	117,390,147	117,390,147
Assigned	68,737,386	72,248,616	73,214,678

2022-23 SAUSD
First Interim Financial Report
Staff Recommendation

It is recommended that the board approve the District's First 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

