

Annual Comprehensive Financial Report (ACFR)

For the Year Ended June 30, 2022

Presented by:

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CPA, MBA**

*Financial Management
Accounting Supervisor*

Administration Committee
November 9, 2022



OC SAN
ORANGE COUNTY SANITATION DISTRICT

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Overview of the ACFR

- Provides financial condition and performance for fiscal year ended June 30, 2022.
- GFOA Excellence in Financial Reporting Award – 27 consecutive years.
- Independent auditor – Davis Farr, LLP.

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Financial Net Position

Total Net Position: \$2.8 billion

(Dollars in thousands)

	June 30, 2022	June 30, 2021, as restated	Increase (Decrease)	Percentage Increase (Decrease)
Total assets & deferred outflows	4,018,078	3,853,516	164,562	4.3%
Total liabilities & deferred inflows	1,202,891	1,143,134	59,757	5.2%
Net position				
Net investment in capital assets	1,825,490	1,740,102	85,388	4.9%
Restricted for OCERS pension benefits	108,179	63,748	44,431	69.7%
Unrestricted	881,518	906,532	(25,014)	-2.8%
Total net position	\$ 2,815,187	\$ 2,710,382	\$ 104,805	3.9%

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Increase in Net Position

Increase in Net Position: \$104.8 million

(Dollars in thousands)

	June 30, 2022	June 30, 2021, as restated	Increase (Decrease)	Percentage Increase (Decrease)
Total revenues	420,786	459,815	(39,029)	-8.5%
Total expenses	342,064	322,379	19,685	6.1%
Income before capital contributions	78,722	137,436	(58,714)	-42.7%
Capital contributions	26,083	33,936	(7,853)	-23.1%
Increase in net position	104,805	171,372	(66,567)	-38.8%
Beginning net position	2,710,382	2,539,010	171,372	6.7%
Ending net position	\$ 2,815,187	\$ 2,710,382	\$ 104,805	3.9%

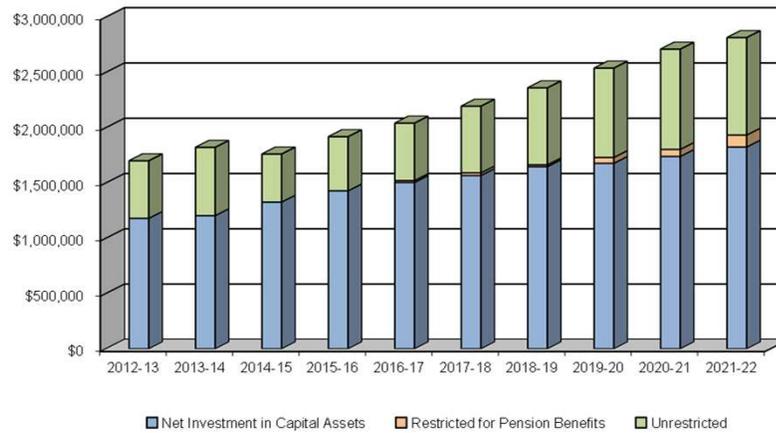
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Net Position – Last 10 Fiscal Years

(Dollars in Thousands)



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Financial Performance - Operations

(Dollars in thousands)

	June 30, 2022	June 30, 2021	Increase (Decrease)	% Increase (Decrease)
Operating expenses:				
Salaries and benefits	57,004	74,772	(17,768)	-23.8%
Utilities	11,045	9,789	1,256	12.8%
Supplies, repairs and maintenance	47,082	47,545	(463)	-1.0%
Contractual services	25,114	22,653	2,461	10.9%
Feasibility studies	6,490	5,704	786	13.8%
Other	9,379	7,555	1,824	24.1%
Total operating expenses	\$ 156,114	\$ 168,018	\$ (11,904)	-7.1%

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Capital Improvement Outlays

Major capital asset additions:

- \$35.7 million Headquarters Complex (P1-128)
- \$32.1 million Headworks Rehabilitation at Plant No. 1 (P1-105)
- \$23.6 million Ocean Outfall System Rehabilitation (J-117)
- \$20.9 million Primary Treatment Rehabilitation at Plant No. 2 (P2-98)
- \$ 9.0 million Rehabilitation of Western Regional Sewers (3-64)

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Available Resources

Cash and investments: \$984.0 million — Increase: \$23.4 million

(Dollars in thousands)

	June 30, 2022	June 30, 2021	Increase (Decrease)	% Increase (Decrease)
Cash on hand	3	7	(4)	-57.1%
Deposits with financial institutions	4,219	1,649	2,570	155.9%
Managed portfolio - cash and investments	966,701	958,983	7,718	0.8%
Held by trustees - cash and investments	13,113	0	13,113	100.0%
Total cash and investments	\$ 984,036	\$ 960,639	\$ 23,397	2.4%

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Questions

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