What is it?

• Required by law

• Includes budget revisions between the Adopted Budget and 1st Interim

• Accounts for financial activity from July 1, 2021 to October 31, 2021

• Includes multi-year forecast updates

• Certifies the district’s ability to meet its financial obligations
FIRST INTERIM REPORT 2021-22

Financial Reporting Cycle

July
State Budget Adoption

September
2020-21 Unaudited Actuals

December
First Interim Report

January
2022-23 Budget Proposal

March
Second Interim Report

May
2022-23 May Revise

June
2022-23 Budget Adopted
Proposed Budget Revisions

The assumptions are revised in light of new information.
Revenue Increased

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General Fund Revenue

June Adoption

1st Interim

ESSER/GEER, Community Support

Property Tax, Community Support
First Interim Report 2021-22

Expenditure Increased

General Fund Expense

375

June Adoption

350

1st Interim

Staffing $10.9M, Supplies ($8.6M), Services/Other $4.8M
Other Financing Uses Increased

General Fund Other Financing Uses

- June Adoption
- 1st Interim

Bus Fleet
Ending Fund Balance Increased

General Fund Ending Fund Balance

- June Adoption
- 1st Interim

Coverage of Restricted Programs and Cash Flow Requirements
Multi-Year Outlook

There is only one thing certain about a budget, it will be wrong.
FIRST INTERIM REPORT 2021-22

Property Values Lead Revenue Growth

Multi-year Revenue Performance

Newport-Mesa Unified School District
FIRST INTERIM REPORT 2021-22
Revenue and Expense are Aligned
FIRST INTERIM REPORT 2021-22

Employer Pension Rates are Increasing

CalSTRS Employer Rates

CalPERS Employer Rates
Pension Rates are Crowding Out Alternatives

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[Graph showing pension rates over years, with an increase in both dollars and percent of budget from 2016-17 to 2022-23.]
General Fund Ending Fund Balance

First Interim Report 2021-22

Responsible Ending Fund Balance

Newport-Mesa Unified School District
 FIRST INTERIM REPORT 2021-22

Favorable State Budget Outlook

Pay down pension liabilities

Fund Special Education reforms
1. The State budget is favorable and improving.

2. Expenditures are increasing dramatically.

3. We are stretching to meet Board directed priorities.

4. We are financially positioned to handle COVID-19, Omicron, uncertainty.
Staff recommends approval of the 2021-22 1st Interim Report with Positive Certification
Thank you to the skilled and dedicated professionals in Fiscal and Ed Services!

When the people you work with do their job to make things right and still have time to smile and get along with others, I want them around.

- John Wayne
Questions?