

Mt. Diablo Unified School District

2017-18 First Interim Budget Report

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California School District Financial Reporting Requirements

- Education Code 42130 – requires the school district to file their fiscal condition for TWO reporting periods, October 31 and January 31, including projections of the budget through June 30.
- Education Code 42131 – requires the Board of Education to certify, based on current projections, whether or not the school district is able to meet its financial obligations for the current fiscal year and subsequent two fiscal years.
- Education Code 33127 – requires a district that has received a negative certification of its interim report(s) to file a third report as of April 30.

Financial Reporting Certifications

There are three types of certification based on the multi-year projections at each reporting period.

- Positive Certification ~ District can meet it's financial obligations for the current and two subsequent years.
- Qualified Certification ~ borderline, may not meet financial obligations during one of the three years of the MYP.
- Negative Certification ~ cannot meet financial obligations in two or more of the three years as shown by negative fund balance, insufficient Reserves for Economic Uncertainty.

1st Interim Summary GF Multi Year Projection

MYP General Fund 01 (excludes all other funds)	2017-18	2018-19	2019-20
Unrestricted & Restricted			
Revenues	344,267,665	344,351,117	343,944,960
Expenditures	388,092,092	357,339,382	354,611,812
Increases (Decrease to Fund Balance)	(43,824,427)	(12,988,265)	(10,666,852)
BEGINNING BALANCE:	88,789,294	44,964,867	31,976,602
ENDING BALANCE:	44,964,867	31,976,602	21,309,749
COMPONENTS OF ENDING BALANCE:			
Nonspendable	625,000	672,158	672,158
Legally Restricted	6,233,479	6,270,440	7,073,074
Assigned	30,344,546	14,313,822	2,926,162
REQUIRED RESERVE	7,761,842	10,720,182	10,638,355

NOTE: Required Reserve is 2% in 2017-2018 and 3% in 2018-2019 & 2019-2020.

Significant Changes Since Adoption

- Adjustments made for increases in state and local grants due to awards and donations
- Adjustments made to MYPs for enrollment, revenue & expense projections

Schedules Included in the Report

- Form AI: Average Daily Attendance estimated to decrease. More updated numbers will be known after P-1 ADA count in January.
- Form CASH: Cash Flow – Ending General Fund cash will be positive.
- Form MYP: Multi-Year Projection – General Fund projections for the current year and two subsequent years.
- Form CSI: Criteria and Standards Review includes additional information that impacts the fiscal condition of the district.

Positive Certification

- Form CI: Certification to sign summarizes Criteria and Standards. The multi-year projections show that we can meet our financial obligations for the current fiscal year and two subsequent fiscal years.

Future Considerations/Risk

- Monitor actual expenditures and income
- Closely monitor enrollment and ADA
- Uncertainty in unrestricted one-time funding
- Continued cost increases associated with pension & operating increases and less reliance on revenue increases
- Compare income assumptions for future years with amounts included in the State adopted budget
- Maintain adequate reserves to satisfy obligations in all years