



Mt. Diablo Unified School District

2016-17 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 Unrestricted & Restricted	2016-17	2017-18	2018-19
Revenues	328,773,604.03	327,638,771.00	330,147,751.00
Expenditures	358,332,125.69	351,898,562.21	358,519,523.21
Increase (Decrease) to Fund Balance	(29,558,521.66)	(24,259,791.21)	(28,371,772.21)
BEGINNING BALANCE	98,020,752.91	68,462,231.25	44,202,440.04
ENDING FUND BALANCE	68,462,231.25	44,202,440.04	15,830,667.83
COMPONENTS OF EFB			
Nonspendable	621,000.00	621,000.00	621,000.00
Restricted	4,772,591.51	3,132,005.81	1,554,195.11
Assigned	40,744,236.00	19,831,544.00	1,725,000.00
Reserve for Economic Uncertainties*	6,965,725.00	7,036,809.00	10,755,490.00
TOTAL COMPONENTS	53,103,552.51	30,621,358.81	14,655,685.11
Unassigned/Unappropriated	15,358,678.74	13,581,081.23	1,174,982.72

*Required reserve is 2% in 2016-17 & 2017-18 and 3% in 2018-19

NOTE: Since the board agenda posting, Forms 01, MYP, Criteria & Standards and Certification have been updated in the First Interim Budget Report for adjustments to recognize the reduced expenditures in 2016-17 instead of 2017-18.

Significant Changes Since Adoption

- The District has a tentative agreement for all bargaining units through June 30, 2018.
- Budgets have been adjusted for the impact of the settlements.
- Adjustments made for increase in state and local grants due to awards and donations.

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

- Monitor actual expenditures and income at year end.
- Monitor receipts of one-time funding.
- Review LCAP regarding allocation of funds for Class Size Reduction.
- Compare income assumptions for future years with amounts included in the State adopted budget.
- Closely monitor enrollment and ADA.