



Board Agenda Item #	Agenda # III E
Date:	June 14, 2017
To:	Magnolia Board of Directors
From:	Caprice Young, Ed.D., CEO & Superintendent
Staff Lead:	Nanie Montijo, Chief Financial Officer
RE:	Intercompany Loan at Close of FY 2016-17

Proposed Board Recommendation

I move that the board authorize a temporary inter-agency loan at close of FY 2016-17 to meet the cash reserve requirement for MSA 1 and ensure a positive cash balance for other schools, as needed.

Background

MSA 1 is required to maintain the equivalent of a 45-day average cash requirement as part of the 2014 Bond Covenant. Cash projection as of May 1, 2017 shows that some schools will need a cash transfers at close of FY 2016-17 to maintain positive ending balances.

Budget Implications

N/A

How Does This Action Relate/Affect/Benefit All MSAs?

N/A

Name of Staff Originator:

Nanie Montijo, CFO

Attachments:

Cash Flow Projection as of May 15, 2017

Magnolia Public Schools  
Cash Balances  
Projected 6/30/17

	MERF	MSA-1	MSA-2	MSA-3	MSA-4	MSA-5	MSA-6	MSA-7	MSA-8	MSA-SA	MSA-SD	Total
<b>Total Bank (6/30/2017)</b>	176,914	652,529	590,604	50,955	613,880	730,014	465,357	505,886	846,872	646,606	495,278	<b>5,774,895</b>
<b>Restricted</b>												
Prop 39 Clean Energy	-	58,876	54,436	54,341	52,408	53,216	51,109	52,741	57,367	51,190	51,854	<b>537,538</b>
Prop 1D Facilities	-	-	-	-	-	-	-	-	-	-	106,607	<b>106,607</b>
Educator Effectiveness (as of 3/31)	-	30,234	25,585	24,442	11,578	10,182	13,199	8,546	25,139	14,142	16,600	<b>179,647</b>
College Readiness (as of 4/30/17)	-	47,001	46,711	45,596	46,299	-	-	-	-	34,495	-	<b>220,102</b>
<b>Total Restricted Cash</b>	-	<b>136,111</b>	<b>126,732</b>	<b>124,379</b>	<b>110,285</b>	<b>63,398</b>	<b>64,308</b>	<b>61,287</b>	<b>82,506</b>	<b>99,827</b>	<b>175,061</b>	<b>1,043,894</b>
Unrestricted Cash	176,914	516,418	463,872	(73,424)	503,595	666,616	401,049	444,600	764,366	546,779	320,217	4,731,001
<b>5% Reserve (45 days MSA-1)</b>	315,179	962,328	272,033	289,493	105,953	106,856	90,131	184,770	273,082	354,739	186,555	<b>3,141,120</b>
<b>Available Cash</b>	(138,264)	(309,800)	191,839	(362,918)	397,642	559,760	310,917	259,830	491,284	192,040	133,663	<b>1,725,992</b>
<b>Intercompany Loan</b>	138,264	309,800	-	494,540	(200,000)	(238,264)	(100,000)	(194,540)	(209,800)	-	-	-