



Board Agenda Item #	Agenda # III B
Date:	November 9, 2017
To:	Magnolia Board of Directors
From:	Caprice Young, Ed.D., CEO & Superintendent
Staff Lead:	Nanie Montijo, Chief Financial Officer
RE:	Intercompany Loan for MSA Santa Ana

Proposed Board Recommendation

I move that the board authorize a \$200,000 temporary inter-agency loan to meet the cash requirement for MSA Santa Ana, as needed, and ratify the \$200,000 temporary cash transfer made October 31, 2017 to fund payroll.

The \$372,000 apportionment for the month of October 2017 is still not received as of month-end. Total temporary loan requested is \$400,000.

Background

The State Controller’s Office calculates apportionments from July through January of every fiscal year based on prior year’s P-2 attendance report. The state apportionment is adjusted in February based on the P-1 attendance report submitted every December of the current fiscal year.

Temporary loan needed due to the following:

- MSA Santa Ana’s state apportionments from July 2017 through January 2018 is based on the prior year’s ADA of 640
- Current enrollment as of census day for 2017-18 will result in 708 projected ADA
- Expenses from July 2017 increased proportionately with the increase in enrollment.
- MSA Santa Ana will need additional cash infusion to sustain operating expenses until apportionment is adjusted in February 2017

A repayment schedule is attach showing the full payment of the temporary loan before end of fiscal year 2017-18.

Budget Implications

N/A

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

Temporary loans from other MSA schools with excess cash balances to MERF.
MSA Santa Ana will receive temporary loan from MERF.

Name of Staff Originator: Nanie Montijo, CFO

Attachments: Cash Flow Projection



October 30, 2017

RE: Temporary Cash Transfer from MERF to Santa Ana

This is to authorize a temporary cash transfer to MSA Santa Ana from MERF for \$200, 000. The October 2017 State Apportionment has not been received as of today. The temporary transfer is to cover the month end payroll for MSA Santa Ana.

A ratification of the transfer will be submitted to board at the upcoming board meeting.

A handwritten signature in blue ink, appearing to read "Caprice Young", is positioned above the printed name.

CAPRICE YOUNG, CEO

Magnolia Public Schools

MSA-SA
Monthly Cash Forecast
As of Sep FY2018

	2017-18													Forecast	Remaining Balance
	Actuals						Forecast								
	Jul	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	Jun			
Beginning Cash	1,576,509	1,396,508	909,436	441,347	528,742	454,609	405,827	349,577	421,392	375,658	384,252	482,389			
REVENUE															
LCFF Entitlement	206,800	433,995	402,777	521,505	488,074	518,611	488,074	647,406	855,827	671,172	671,172	706,548	6,751,562	139,600	
Federal Revenue	-	-	63,161	7,400	35,170	28,368	91,529	35,170	28,368	130,779	35,170	28,368	618,521	135,041	
Other State Revenue	14,908	14,909	27,100	44,999	47,770	35,077	35,077	63,693	35,077	35,077	153,470	35,077	626,911	84,677	
Other Local Revenue	2,118	628	2,241	753	2,870	41,978	2,870	2,870	2,870	2,870	2,870	2,870	67,812	-	
Fundraising & Grants	129	-	3,030	9,719	3,867	3,918	3,036	4,188	858	1,015	864	1,821	32,446	-	
TOTAL REVENUE	223,956	449,532	498,309	584,376	577,751	627,952	620,587	753,327	923,000	840,913	863,546	774,684	8,097,251	359,318	
EXPENSES															
Certificated Salaries	40,707	246,046	260,936	273,049	260,847	260,847	260,847	260,847	260,847	260,847	260,847	260,847	2,907,512	-	
Classified Salaries	33,466	61,985	76,402	4,701	56,737	56,737	56,737	56,737	56,737	56,737	56,737	56,737	630,455	-	
Employee Benefits	51,391	92,220	117,010	139,913	98,744	98,744	99,681	98,861	98,861	95,009	95,009	52,874	1,138,314	-	
Books & Supplies	9,151	59,556	41,336	169,947	46,016	47,657	46,824	51,805	47,121	43,124	43,730	43,659	649,926	-	
Services & Other Operating Expenses	122,068	161,354	142,241	225,834	183,704	206,912	206,912	207,426	207,426	274,942	207,426	207,426	2,371,361	17,687	
Capital Outlay & Depreciation	33,103	33,103	33,103	69,142	42,113	42,113	42,113	42,113	42,113	42,113	42,113	42,113	505,350	-	
Other Outflows	-	-	98,970	(11,881)	10	10	10	10	85,980	-	-	-	173,107	-	
TOTAL EXPENSES	289,886	654,264	769,999	870,706	688,170	713,020	713,123	717,798	799,084	772,772	705,861	663,655	8,376,025	17,687	
Operating Cash Inflow (Outflow)	(65,931)	(204,732)	(271,690)	(286,329)	(110,419)	(85,068)	(92,537)	35,529	123,916	68,141	157,685	111,028	(278,774)	341,632	
Revenues - Prior Year Accruals	6,943	36,574	24,501	38,578	-	-	-	-	-	-	-	-	-	-	
Other Assets	28,929	-	-	19,690	-	-	-	-	-	-	-	-	-	-	
Fixed Assets	33,103	33,103	33,103	28,335	28,335	28,335	28,335	28,335	28,335	28,335	28,335	28,335	-	-	
Due To (From)	(3,255)	(366,413)	(96,529)	7,596	-	-	-	-	-	-	-	-	-	-	
Expenses - Prior Year Accruals	(46,025)	(9,031)	(58,791)	(31,926)	-	-	-	-	-	-	-	-	-	-	
Accounts Payable - Current Year	(85,792)	16,152	7,162	(75,654)	-	-	-	-	-	-	-	-	-	-	
Summerholdback for Teachers	(37,974)	7,276	7,334	12,118	12,118	12,118	12,118	12,118	12,118	12,118	12,118	12,118	12,118	-	
Loans Payable (Current)	-	-	(4,166)	(20,846)	-	-	-	-	-	-	-	-	-	-	
Proposed Intercompany Loan	-	-	-	400,000	-	-	-	-	(100,000)	(100,000)	(100,000)	(100,000)	(100,000)	-	
Loans Payable (Long Term)	-	-	(109,013)	(4,167)	(4,167)	(4,167)	(4,167)	(4,167)	(110,103)	-	-	-	-	-	
Ending Cash	1,396,508	909,436	441,347	528,742	454,609	405,827	349,577	421,392	375,658	384,252	482,389	533,870			