

**RESOLUTION 24-025      Approval of Fiscal Year 2023-2024 Supplemental  
Budget Greater than 10% of Appropriation,  
Appropriation Adjustments and Budget Transfers**

**Background:**

During the 2023-2024 fiscal year, the Multnomah Education Service District received additional information about specific expenditures within funds that were not anticipated in the 2023-2024 adopted budget. Oregon Revised Statute ORS 294.463 allows the Board to approve transfers of appropriations both within and between funds via a transfer resolution. Oregon Revised Statute ORS 294.471 allow the Board to approve a supplemental budget revising resources and appropriations.

The Governmental Accounting Standards Board (GASB) standard 87 applies to fiscal years beginning after June 15, 2021 and requires changes in long-term lease budgeting and accounting.

**Increases and reductions in expenditure appropriation above 10% of the current expenditures appropriation, which require a public hearing, include:**

1. Operating Fund

Supported by: Investment Earnings \$145,000, Overhead Revenues \$35,000, Transfers In \$104,285, Long Term Debt Sources \$ (3,900,000).

- a. Net increase in Support Services appropriation \$253,985, net decrease in Facilities Acquisition & Improvement \$3,900,000, net decrease in Other Uses \$253,985. The MESD received clarification of which of our building leases are accurately categorized as long-term leases under GASB 87. Lease inception amounts and lease payments are updated accordingly.
- b. Increase Contingency \$284,285.

**Increases and reductions in expenditure appropriation below 10% of current budget, transfers of appropriations and resources between funds, as well as transfers of contingency appropriation below 15% of the original adopted budget total fund appropriations; none of which require a public hearing, include:**

1. Resolution Services Fund

Supported by: Property Taxes \$1,483,000 and State School Fund \$ (440,155).

- a. Net increase in Instructional Services appropriation \$137,002, net increase in Support Services appropriation \$727,678. Adjustments reflect expenditure

updates for local service plan services primarily in Special Education and School Health Services.

- b. Decrease Other Uses \$4,000,000 to reflect updated component district transit requests.
  - c. Increase Transfers Out \$104,285 for SSF revenues allocation to Operating Fund.
  - d. Increase Contingency \$4,073,880.
2. Contracted Services Fund  
Supported by: Local Sources \$522,037, State Sources \$53,664, Federal Sources \$622,373, Sales of Goods & Services \$4,049, and Other Revenues \$3,693.
- a. Net decrease in Instructional Services appropriation \$121,986, net decrease in Support Services appropriation \$480,786. Adjustments reflect expenditure updates for local service plan services primarily in Special Education and School Health Services.
  - b. Increase Contingency \$1,808,588.
3. Debt Service Fund  
Supported by: Investment Earnings \$127,000, Services to Other Funds \$435,634.
- a. Increase in Other Uses \$1 to correct appropriation to match the exact projected expenditures.
  - b. The balance will be held as unappropriated Ending Fund Balance for the 2023-24 fiscal year in preparation for a forthcoming PERS rate reserve policy.

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The Superintendent recommends adoption of the following resolution:

**WHEREAS**, the Resolution Fund (Fund 1), Contracted Services Fund (Fund 2) Operating Fund (Fund 6), and Debt Service Fund (3) have received revenues or transfers that differ from what was anticipated in the adopted budget; and,

**WHEREAS**, the Resolution Fund (Fund 1), Contracted Services Fund (Fund 2), Operating Fund (Fund 6), and Debt Service Fund (3) have changes in requirements not anticipated in the adopted budget;

**NOW THEREFORE BE IT RESOLVED**, that for the fiscal year beginning July 1, 2023, the amounts shown below are hereby appropriated for the purposes indicated within the Funds listed:

	<u>Resolution Services</u>	<u>Contracted Services</u>	<u>Operating</u>	<u>Debt Service</u>
<b>Resources</b>				
Property Taxes	1,483,000	-	-	-
State School Fund	(440,155)	-	-	-
Local Sources	-	522,037	-	-
State Sources	-	53,664	-	-
Federal Sources	-	622,373	-	-
Investment Earnings	-	-	145,000	127,000
Sales of Goods & Services	-	4,049	-	-
Other Revenues	-	3,693	-	-
Services to Other Funds	-	-	-	435,634
Overhead Revenues	-	-	35,000	-
Transfers In	-	-	104,285	-
Long Term Debt Sources	-	-	(3,900,000)	-
<b>Total Resources</b>	<u>\$ 1,042,845</u>	<u>\$ 1,205,816</u>	<u>\$ (3,615,715)</u>	<u>\$ 562,634</u>
<b>Requirements</b>				
Instructional Services	137,002	(121,986)	-	-
Support Services	727,678	(480,786)	253,985	-
Facilities Acquisition & Imp.	-	-	(3,900,000)	-
Other Uses	(4,000,000)	-	(253,985)	1
Transfers Out	104,285	-	-	-
Contingencies	4,073,880	1,808,588	284,285	-
<b>Total Requirements</b>	<u>\$ 1,042,845</u>	<u>\$ 1,205,816</u>	<u>\$ (3,615,715)</u>	<u>\$ 1</u>