



Board Action Required

No Action Required

Date: August 20, 2012

To: CISD Board of Trustees

From: Kelly Penny

CC: Dr. Jeff Turner, Sid Grant

RE: Consideration of recommitting \$3,000,000 of Operating Fund Balance under Governmental Accounting Standards Board (GASB) Statement No. 54 for fiscal year ended 2011-2012.

Last fiscal year, to ensure responsible fiscal management and financial integrity, the Board of Trustees adopted a Fund Balance Resolution in November 2011 committing \$3M of the General Fund fund balance for potential litigation, land development, equipment replacement and special ed residential set-aside. During the fiscal year an expenditure occurred that qualified to reduce the committed fund balance by \$10,378. This expenditure for litigation against the state was paid to Thompson & Horton.

Based upon the prior year's board action to constrain resources for potential litigation, land development, equipment replacement and special education residential set-aside, administration is requesting that the Board consider recommitting \$3M as follows:

Potential Litigation; \$750,000

Potential Land Development; \$1,000,000

Potential Equipment/Capital Outlay Replacement; \$1,000,000 and

Potential Residential Set-aside; \$250,000

Recommendation: That the Coppel ISD Board of Trustees approve the resolution to recommit \$3,000,000 in Operating Fund fund balance for 2011-2012.